

# Mr Ford warns Nato partners of need for full commitment

President Ford warned France and the other Nato partners last night that the integrity of the alliance could be preserved only on the basis of unqualified participation. Addressing the Nato summit in Brussels, he promised that America would stand by its commitments and make no unilateral cuts in its Nato forces.

## Communist Portugal incompatible

Michael Hornsby  
London, May 29  
President Ford called tonight for "unqualified participation" by all members of Nato and said that the alliance could not function on the basis of "halfhearted membership or special arrangements".

In addition to defence, the alliance should address itself to the questions of population, food and raw materials and seek ways to strengthen the world's trading and monetary system.

Mr Ford also said that political consultation within the alliance had to be improved. "We have made considerable progress in recent months but there is as each of us knows, room for improvement by all parties if we are to maintain our solidarity." This was "plainly a reference to differences between the American and European approaches to such thorny issues as the Middle East and energy policies."

Nato countries should cooperate in developing a productive and realistic agenda for détente, an agenda which serves our interests and not the interests of others who do not share our values," he continued. One item on that agenda must be to ensure that promises made at the Geneva conference on security and cooperation in Europe were "translated into action to advance freedom and human dignity for all Europeans."

It was only by such realistic steps, President Ford said, that the security conference could be kept in perspective, "whether ever euphoric or inflated optimism." The Soviet Union or other participants might try to give it.

Nato should be prepared to take appropriate initiatives in the negotiations on arms and balanced force reductions in Europe, provided they helped to ease the alliance's objectives. Mr Ford went on: "The United States and its allies should also be prepared to respond in good faith on the common objectives both sides should be working towards—undiminished security for all but at a lower level of forces."



Oil rig forecasts: Experiments have been completed with a more accurate weather forecasting scheme for North Sea oil rigs, using information from meteorological satellites. An experimental photograph by satellite is shown above. The research was done at Dundee University by new methods of analysing the cloud cover of weather patterns well before their influence is felt in the seas immediately around the British Isles. The curve of the earth has in the past distorted photographs of cloud cover taken by satellite, making accurate forecasting difficult. Equipment designed at Dundee removes the distortion. Another development is the electronic superimposition on photographs of grid lines of longitude and latitude, together with outlines of the land mass beneath dense cloud. Improvement of the images from weather satellites is also significant for the detailed examination of ice movement in the polar seas, which affects shipping routes in the long term; and for identifying regions of pollution.

## Pop festival organizer jailed for contempt

By Stewart Tandler  
One of the organizers of the Windsor pop festival was sent to prison yesterday until after the proposed start of this year's event for contempt of court.

Mr William Dwyer, aged 42, of Carmelite Street, London, admitted to Mr Justice Templeman in the High Court that he had broken a temporary order forbidding him to promote, advertise or organize the event. He was jailed until August 24.

A motion for committal was brought by leaders of the Windsor Citizens' Action Group after Det Inspector Peter Goldsborough saw Mr Dwyer breaking the injunction at a pop concert in Stoke-on-Trent and Earl Court, London.

Mr Frank Blennerhassett QC, told the court that Mr Dwyer had been restrained under an order on April 3 which was continued on April 11. On the second occasion Mr Blennerhassett, appearing for residents, said Mr Dwyer said that he had broken the order.

He signed an affidavit pledging himself to honour the order but Mr Goldsborough saw Mr Dwyer outside the football ground at Stoke on May 17 handing out leaflets. Copies and photographs were taken. The next day in Earl Court he saw him again handing out leaflets.

Mr Blennerhassett said: "The most flagrant breach was that Mr Dwyer read the notice of motion to commit and continued to distribute leaflets and hand out photographs outside the court today with his placard concerning the festival."

On May 24 Mr Peter Simpson, solicitor for the action group, found Mr Dwyer at Warwick Road, Earl Court, gave him the notice and saw him read the first page and go on giving out leaflets. Counsel said that many people had received leaflets and would think the festival would go ahead in Windsor Great Park.

Mr Dwyer, who represented himself after withdrawing instructions to counsel before the hearing, told the judge that previous festivals in Windsor Great Park had improved their arrangements each year.

He said that when he gave his undertaking he thought other people would help to organize it. "This did not happen," he said. "I was in the quandary of not doing anything at all or obeying a higher injunction to organize it."

The judge said: "I have no choice but to uphold the order. What has been done has been done deliberately in breach of the court order and under the apprehension that a higher duty is owed by Mr Dwyer to organize the festival."

Mr Dwyer slipped a rucksack of papers over his shoulders and left the court. He told reporters: "Nothing will stop the festival."

Mr John Phillips, chairman of the action group, said he was sorry to see Mr Dwyer go to prison.

Before the hearing Mr Dwyer told a press conference that he was prepared to go to prison. "I have two injunctions," he said, "one from the court but the other is higher and this is from love and God to organize the festival. I must do my duty."

A spokesman for Thames Valley police said Mr Goldsborough was attached to the Langley division. The evidence was gained in the normal course of his duties, he said. "It was obviously a police decision to pass on the information."

## Unions 'will be bound by referendum'

By Staff Reporters  
Mr Len Murray, TUC general secretary, said yesterday that the TUC would regard the referendum verdict as final, and that the union would play its part in the EEC's institutional machinery in Brussels and Luxembourg.

Mr Murray, interviewed at the TUC's Bloomsbury headquarters, said: "I have said very clearly that when the people have spoken that will be that, and we shall play our part fully in the institutions."

Today's issue of the New Statesman, the left-wing weekly, urges its readers in an editorial to vote "yes" in the referendum.

It accuses the EEC's opponents of being "late-day Luddites," "noble perhaps, but unable to face facts," and suggests that British withdrawal from the EEC would be an act of political sabotage.

The editorial adds: "It is not especially to our liking to recommend a vote for what is called the 'right' of the Labour Party, let alone for the Liberals and most of the Conservatives. But there is no alternative—none."

The New Statesman suggests that one of the most dumbfounding aspects of the campaign has been the lack of internationalist appeal.

It says the left in Europe believes that the Community could be directed towards creating a better society.

"What right, in heaven's name, have we to disagree? We can no longer boast of more democratic trade unions, a fairer educational system, better social services, than any of our neighbours. We are demonstrably not more efficient than they are, nor even more compassionate."

Community steel aid: The European Commission yesterday approved more than £7m aid for the British Steel Corporation (the Press Association reports). A £7m loan will go towards setting up a pilot plant at Normandy Park, Scunthorpe, to produce formed coke and £337,300 will be used to retrain and resettle Ebbw Vale steelworkers affected by changes in production.

That brings the commission's loans to British Steel to £117.7m, but if Britain votes to leave the EEC next week, the commission is "unlikely" to ask for their return.

## US 'spy plane' crashes

From Our Own Correspondent  
Washington, May 29  
A U2 high altitude "spy plane" of the United States Air Force crashed this morning about 100 miles from Wittenberg, in the wooded Sauerland part of West Germany and about 85 miles from the East German border, the Pentagon said today.

The pilot parachuted to safety and was said to be in good condition at the United States Air Force hospital at Wiesbaden.

A spokesman emphasized that it was an Air Force aircraft one of five temporarily based at RAF Wethersfield for high-level navigational exercise flights over allied countries in Europe. The notorious U2 shot down over Russia in 1960 was operated by the Central Intelligence Agency.

The U2 is in fact rather "old fashioned" and was said to be in the ultrasonarion SR71 Blackbird. This aircraft is operated by the CIA at extraordinary heights.

The SR71 occasionally visits Britain and has been used to monitor Middle East deployments.

## 10 Maoists held in Lisbon raid

Jose Shercliff  
May 29  
Security police arrested 10 members of the Movement for the Restoration of the Proletariat (MRPP) in a sweep of the Lisbon area during the night.

Never, Maoist militants, by Reuters, but the number of those detained at up to 100.

The operation began about 11 o'clock last night with a raid on a warehouse of virtually unfurnished offices in the heart of the city. Copcon seized piles of propaganda, typewriters, and copying machines, crowbars, knives, heavy chains, truncheons and other weapons.

The offices contained also a punched and other equipment for physical training, an interrogation chamber which showed signs of material for torturing prisoners, and an underground cell.

A statement issued by Copcon early today stated that over 100 copies of the MRPP's newspaper, April 25 last, year the MRPP has showed that it seeks confrontation with the revolutionary authorities. Most of its members are students. Its activities are more like those of a religious sect, the statement goes on, and it is isolated from all other national political parties.

The Copcon statement accuses the MRPP of arresting on May 15 Sergeant Coelho da Silva, formerly of a commando unit, and of beating him; of beating Lieutenant Marcelino da Mata, of a commando unit; and of other people; and of arresting and ill-treating a disabled serviceman, Senhor Maximino dos Santos, on May 18 in Coimbra.

The editorial staff of the newspaper, *República*, closed down last week, brought out a paper tonight called *Jornal do Caso República*. Dr Raul Rego, its editor, He also edited *República*. The new paper was sold out almost immediately by volunteers.

An attempt to produce the newspaper yesterday was thwarted by the trade union organisation, *Interindustrial*.

## acked' ferry to ice talks

By Poppins, the German stranded at Southampton as a result of port strikes on both sides of the channel, raised a storm of protest and sailed for St. Malo, spokesman for IT Lines, said. The ferry, said, "was taking" their director to St. Malo. The ferry was "stuck" with British unions will use today, he added.

Departure came after a chaos for travellers at Channel ports. Most sail between France and England were cancelled as workers' nationalities blacked the Poppins.

Unions maintain that the would operate on the Southampton-St. Malo route only if the summer peak is "unoff" the trade.

Unions services: British and French railway ferry services expected to operate normally in the cross-Channel routes. (Our Labour Staff says).

Travellers who hope to get to or from Britain on air services are being advised with a steadily deteriorating situation as the strike by maintenance men takes effect.

On Wednesday night in a new pay agreement working on the airline's wide-body Lockheed Tri-jet aircraft. British Airways management had talks with the Airline Service yesterday. Further talks are expected.

## Britain in big aerospace deal with Egypt

The sale of a vast package of aerospace products manufactured in Britain is to be completed soon with Egypt and Saudi Arabia, it was stated at the Paris air show yesterday. The package includes Hawk fighter-trainers, Lynx helicopters, an anti-aircraft missile and two Rolls-Royce jet engines. The most important part of the deal is the sale of up to 200 Hawks. Products will at first be supplied from British factories, but after 10 years the Egyptians are expected to manufacture them. Page 2

## Tories want free post for union ballots

Free post for ballots in trade union elections was one of the examples quoted by Mr Prior, Opposition spokesman on employment, at a conference yesterday at which he described the lines along which the Conservative Party is shaping its industrial policy. Page 2

## Ulster pessimism after 'loyalist' army merger

Moderate politicians in Ulster are growing increasingly pessimistic about the future after the merging of six "loyalist" paramilitary groups into a unified army. Mr Gerard Pitt, SDLP leader, said the announcement was "deliberate" to "instill fear into the hearts of the minority population." The Ulster Defence Association is one of the six but the Ulster Volunteer Force is not. Page 2

## BP income slumps

First quarter net income of British Petroleum fell from £290m to £42.2m due to a continuing decline in demand arising from the energy crisis and the economic recession. But the corresponding 1974 figure had been boosted by £175m of stock profits arising from the increase in oil prices at the end of 1973. Page 17

## US index surge

The United States Government's index of 12 leading business "indicators" rose by a record 2 per cent in April. This was the second consecutive monthly rise and is encouraging and consistent with other evidence suggesting the recession has reached bottom. Mr James Pate, Assistant Commerce Secretary for Economic Affairs, said. Page 17

## National Theatre: Opening early next year in its new house on the South Bank

The Arts Council says. Army manoeuvre: Protesters against the Incitement to Disaffection Act 1934, who intended to hand in leaflets at the Army careers office in Bradford yesterday, were foiled when the office was closed. Page 6

## Opawa: The Royal Canadian Mounted Police is ordered to investigate allegations that the American CIA has operated illegally in Canada

Page 7

## Belgium: Four-page Special Report on a country seeking unity through regional power

Page 2

## French divorce Bill

The French Government presented a Bill on divorce to Parliament yesterday. It introduces divorce by consent, with a delay of six months for reflection, substitutes the notion of responsibility for that of guilt in divorce proceedings, and provides for alimony to be levied together with tax. Page 6

## Leader page 15

Letters: On referendum issues from Professor Alastair Buchan and others; on access to common land from Mr Alan Manning and others. Page 15

## Features, pages 16 and 14

Ivan Barnes on Tunisia, now looking to the years after Bourguiba; Patrick Marland on Standards of Conduct in Public Life: Sheridan Morley talks to Sammy Cahn. Page 14

## Arts, page 13

David Robinson on the Indian film industry and new films in London; Robert Shelton on Frank Sinatra at the Albert Hall; Leonard Buckley on *The Plasterer* (BBC); Jeremy Kingston on *Travellers* (Adelphi Theatre). Page 13

## Obituary, page 16

Professor R. A. Holmstrom; Mr J. W. Calder. Page 16

## Sport, pages 8-10

Golf: United States beat Britain in the Walker Cup; Football: Geoffrey Green on the aftermath of the European Cup final; Cricket: John Woodcock on the arrival of the Australians and the TV Test deadlock. Page 8

## ITV decides to end lockout

By a Staff Reporter  
The commercial television companies decided yesterday to end their lockout of technicians from 6 am today. Two stations, Southern and Harlech, restarted broadcasts last night, however; the rest are expected to resume today.

But the technicians' union said it was seeking clarification from the companies before deciding its next move in its pay dispute.

After a meeting last night between the Independent Television Companies Association (ITCA) and the Association of Cinematograph, Television and Allied Technicians (ACTT), the latter said the companies had agreed to end the lockout unconditionally and to resume discussions on the union's claim for back pay at a meeting on June 6.

Mr Alan Sapper, the union's general secretary, said the outcome of the meeting was "a victory for common sense and the union. It showed that lockouts are not as draconian as they are made out to be. They are made out to be as simple as that. When the lockout took place it became more of a test of strength."

However, the companies said the union members knew they would not get the money they Continued on page 6, col 1

## Princess to visit Australia

Princess Margaret is to visit Australia in October for engagements in Sydney connected with the twenty-fifth anniversary of the formation of the Women's Royal Australian Army Corps, Kensington Palace announced yesterday.

The Princess is Colonel-in-Chief of the Corps. Lord Snowdon, her husband, will be unable to accompany her because of commitments in Britain.

## NUR executive will decide today on pay offer of 27.5%

By Raymond Perman  
Labour Staff  
The executive of the National Union of Railwaymen will decide today whether to accept an arbitration award giving 27.5 per cent increases in basic pay, or reject it and call a strike.

The award, announced last night, increases by nearly a third the offer already made by British Rail. Although the arbitration tribunal said it hoped the extra cost could be substantially offset by reductions in the labour force through natural wastage, it is bound to reflect on the level of the third increase in fares this year, due in the autumn.

The union, which was claiming 30 to 35 per cent, came close to calling a national stoppage when the executive voted last month by 14 to nine in favour, two votes short of the two-thirds majority required by its rules.

Mr Sidney Weighell, general secretary, said last night: "I am not going to rule anything out. In an inflationary situation such as we are in when the award has to last 12 months, we have got to weigh up whether or not it is sufficient to satisfy our members."

The other two unions involved are cautiously pleased with the award. The executive of the Transport Salaried Staffs Association meets this afternoon, and that of the Associated Society of Locomotive Engineers and Firemen on Monday. Both are expected to accept.

The tribunal, chaired by Dr William McCarthy, of Nuffield College, Oxford, accepted the unions' main argument that other pay settlements in both public and private sectors were running well above the level that a strict interpretation of the social contract would have provided.

The tribunal's report argues that because the Government has not denounced those settlements as being outside the social contract's guidelines, it has acknowledged that figure as the new norm in pay settlements. The report says:

What we are proposing represents an increase of 2.8 per cent more than the relevant movement in prices. We do not suggest that an improvement of this size (that is, in terms of "new money") can be met without some adjustment of planned charges and/or subsidies. But bearing in mind the fact that labour costs are about 70 per cent of total costs in this industry, we consider that given union cooperation and the vigorous implementation of the proposals made in this report, it is likely to be possible to effect economies that make this burden manageable.

Many railwaymen, such as drivers, most of whom earn an extra 10 per cent for unsocial hours, and those working shifts and overtime, will get increases in their earnings well above 30 per cent. The lowest-paid railmen will have a new basic rate of £36.70, including consolidation of £4.40 in threshold payments and the minimum earnings guarantee, compared with the old basic of £32.65.

The basic rate for drivers will rise by £11.45 to £53.10.

The tribunal rejected the NUR's submission that pay rises should be weighted towards the lower-paid in favour of the same percentage increase across the board advocated by the other unions. It pointed out that some of the signatories who took unofficial action earlier in the year, have still to be settled, and urged early negotiation.

Leading article, page 15

Lightweight  
Luxury 1975

from Chester Barrie,  
England  
and D'Avenzo,  
Italy.

Presenting a great new  
collection of suits,  
jackets, and trousers  
in the finest of  
lightweight cloths—  
including pure silk—  
impeccably tailored to  
the high standard for  
which Chester Barrie  
and D'Avenzo,  
their Italian associates,  
are world renowned.

Classically shaped two-piece  
in superfine wool and mohair.  
Ultra smart in plain shades  
of dark brown, or beige.  
Sizes 38"-46", £125

Man's Shop, Ground Floor.

Harrods

Knightsbridge, London SW1X 7NL  
01-7741384



**FIND**

**ND**

**U**

**READ Y**

Why you  
should vote  
**YES**

These  
throughout  
but if for  
receive con  
available  
Saturday  
The k  
importance  
What  
should bas  
alternative  
affect our



# REFERENDUM

FIND OUT HOW THESE CRUCIAL ISSUES AFFECT YOU.

COMMONWEALTH

INDUSTRY

AGRICULTURE

JOB

*The Future*

LIVING STANDARDS

READ YOUR THREE LEAFLETS. IF YOU HAVE NOT RECEIVED COPIES, THERE IS STILL TIME TO GET THEM.



These leaflets are being distributed throughout the U.K. during this week, but if for any reason you do not receive copies, all three leaflets will be available, free, at main Post Offices from Saturday May 31st.

The leaflets deal with topics of great importance to everybody:

What are the issues on which we should base our decision? What are the alternatives? How will the decision affect our lives, the lives of our children,

and Britain's influence in the world?

One leaflet, 'Britain's New Deal in Europe', gives the Government's own reasons for recommending that we stay in the Common Market. The other two leaflets, published independently of the Government, give: the case for Britain's continued membership of the Common Market, presented by Britain in Europe; and the case for Britain's withdrawal from the Common Market, presented by the National Referendum Campaign.

Use this information to make your own judgement. And use your vote on June 5th.

Read, consider, and decide.



**YOUR VOTE COUNTS - USE IT.**



## EEC REFERENDUM

## TUC will accept 'yes' vote as final, Mr Murray pledges

By Roger Berthoud

The TUC will regard the referendum verdict as final, its general secretary, Mr Len Murray, said yesterday. If the vote is "yes", it will play its part in the EEC's institutional machinery in Brussels and Luxembourg.

Mr Murray said: "We have said very clearly that when the people have spoken, that will be that, and we shall play our part fully in the institutions." Precisely when after a positive referendum the TUC would drop its present boycott of EEC committees (notably the Economic and Social Committee) and meetings, Mr Murray could not say. It would be a matter of making the necessary preparations. He was not sure how long that would take.

In an interview at the TUC's Bloomsbury headquarters, he said, "It is very clear that if there is a 'yes' vote we would be a part of that part of Europe, and would accept its obligations. But if it is a 'No' vote, we will continue to be part of Europe, and to be very active in the European Trades Union Council."

It remains to be seen whether all anti-EEC trade union leaders take such a reasonable attitude to full cooperation in Brussels and Luxembourg as Mr Murray. Mr Murray is not only very reasonable himself, but sees a lot of reasonableness in others. Trade unionists, he believes, hold stronger views than most people against the EEC because they are more numerate in their assessment of economic developments, their minds more concentrated on prices and jobs.

He agrees that in the early days of the EEC, he believed Britain should join. He changed his mind for two main reasons.

The first was his conclusion, founded on a big TUC exercise in assessing economic aspects of the EEC, that the arithmetical arguments about the size of the market were mostly bogus.

Looking at the trends before the Treaty of Rome came into effect in 1958, he saw

nothing surprising in the relative economic improvements in the original Six in investment, trade and standard of living terms. "I doubt whether it could be shown that more than a marginal change had been made in these respects by membership of the Common Market."

Secondly, he concluded that the economic concept of the Rome treaty was "so very macro", with its faith in the movement of market forces and reduction of tariffs, its attitude to monopolies, and its industrial policy.

All this seemed to me, and still seems, singularly ill-attuned to the strategy we require in this country, which is a micro-strategy, involving painstaking action to deal with a clear range of problems."

He identifies those problems as follows: the quality of management, improving though it may be with the impact of business schools; the educational and training system; the class nature of our society; unsatisfactory industrial relations; inadequate investment; and inadequate industrial organization in many sectors.

Looking at the way the original six EEC members solved their difficulties, Mr Murray particularly admires the training, retraining and basic educational structure in West Germany; and the ability of the French, aided by a touch of ruthlessness and the Commissariat du Plan, to control their financial resources and allocate them to chosen sectors of activity.

Mr Murray adds to those the national will of the Six at the time to reassess themselves, something he has found lacking in Britain. He comes up with a series of factors that have nothing to do with the EEC.

There have been tremendous changes in Britain, he points out. "The remarkable thing is that we have not benefited from them. Would membership help us to benefit from the underlying propensity to change? I do not believe that is so."

Mr Jack Jones, page 14



Mrs Castle (left) who took her great-niece to Brussels to 'prove' her anti-EEC argument; and Mrs Crankshaw, demonstrating her pro-EEC point after her shopping-basket visit to Oslo.

## 'Proof' from baskets of shopping

By Staff Reporters

The referendum debate on food prices reached its kitchen level yesterday when the pro and anti-EEC sides produced shopping baskets from the Continent.

To prove how high food and clothing prices are inside the Community, Mrs Castle, Secretary of State for Social Security, went off for the day to Brussels.

To provide added material for the television cameras, she took her great-niece, Rachel, aged 7, and Mrs Marten, wife of Mr Neil Marten, MP for Banbury, and a leading Conservative opponent of the EEC.

To demonstrate just how expensive life can be outside the Community, the pro-EEC side sent Mrs Vicki Crankshaw, a Wimbledon housewife, to Oslo.

Separately, in London, the two sides claimed to have proved their points by producing the shoppers and their shopping, with baskets of similar items bought in London. Such inconvenient factors as exchange rates, relative wage

levels and differing eating habits played no part in these pleasingly simple economic exercises.

Clearly relishing her role as exemplary wife, Mrs Castle announced that whereas her British food basket cost £4.24, its Brussels supermarket equivalent cost £6.92, or 64 per cent more. The Castle food basket included Jacobs' cream crackers, tinned sardines and tomato ketchup: items that probably loom larger in her diet than in that of your average Brussels-loise.

There can be no doubt that the Common Market means higher prices," Mrs Castle said. "These are the kind of

price levels the British housewife faces if we stay in. And she will have to pay these prices out of British wages, not Brussels wages."

She thus appeared to believe that it is consumer prices, not farm prices, that have to be harmonized under the Treaty of Accession.

To add pathos and haberdashery to the message, her great-niece stood up with a placard stating that her outfit cost £11.15 in London but £17.33 in Brussels. Marks and Spencer in both cities was the source, but Mrs Castle did not feel the 55 per cent tariff in Brussels made more than £1 difference.

Mrs Crankshaw, Britain in Europe's shopper, an attractive secretary with one child (not shown in public) paid £10.05 in Oslo and £5.82 in London for similar groceries. She commented: "As a housewife and a working mother, I know where I would rather go for my shopping."

The only incontrovertible fact to emerge from both exercises was that even in London prices for identical products fluctuate wildly. While Mrs Castle paid £1.32 for 1lb of instant coffee, Mrs Crankshaw paid £1.60. Mrs Crankshaw, by contrast, got her butter 2p cheaper.

Marks and Spencer, commenting on Mrs Castle's shopping,

said: "She seems to have missed the significance of the recently opened store in Oslo. As a result of operations in Brussels and substantial extra export sales, British textiles have achieved more than 90 per cent of the goods sold in Oslo. More than 90 per cent of the goods sold in Oslo are made in Britain, but more jobs to a depressed industry."

"The reasons for the high prices in Brussels are the import duties, shipping, 14 per cent Belgian value-added tax (against no VAT on British goods), clothing in Britain higher Belgian wages, and a standard larger contribution companies to the state for firms for Belgian employees."

## Lord Advocate fears loss of democratic control

From Our Correspondent

Edinburgh

Mr Ronald King Murray, QC, the Lord Advocate, who is MP for Edinburgh, Leith, said yesterday that he would vote "No" in the EEC referendum.

He told a news conference in Edinburgh that he was speaking out at this point in the campaign because he thought some EEC supporters were selling Parliament cheap.

"The two things that troubled him were loss of parliamentary power and loss of democratic control."

He said: "The fact is that under the EEC a definite, if limited, range of legislative power is transferred from Westminster to Brussels. That transfer of power cannot be altered, nor can it be withdrawn, short of repeal of the 1972 Act which effected our accession. Such repeal would be a technical breach of the EEC treaties and so, in Community terms, would be unlawful."

The Government's White Paper was misleading when it described that transfer of legislative power as a delegation of parliamentary powers. Powers, he said, were delegated to a subordinate for subsidiary ends. "The powers conferred on Brussels are transferred to a superior authority which can overrule British law for economic ends which are far-reaching and unlimited."

He continued: "My objection really is that the Treaty of Rome gives priority to economic values, such as free competition and free movement of capital, and it gives priority to these values over human values such as full employment and social justice. I think these are the wrong priorities."

Moderates' cause: Conservative and Labour moderates might continue to work together after the EEC referendum, Mr Alex Fletcher, Conservative MP for Edinburgh, North, told a pro-European rally last night.

## Labour MPs clash on war or peace

By Penny Symon

Political Staff

Two Labour MPs last night expressed opposing views on the influence for or against peace in Europe of the EEC.

Mr Freddie, Secretary of State for Education and Science, said in Middlesbrough that the self-centred nationalism of some of the anti-Marketisers was contrary to the internationalism that was part of the Labour tradition.

"At a time when the nations of the world are becoming more and more interdependent, we should seize the opportunity for practical cooperation with our neighbours in Europe. This referendum is not just concerned with the price of butter, but with whether or not our children will live in peace," he said.

## Personality talk irks Mr Wilson

Mr Wilson said yesterday that he totally deprecated the use of personalities in the referendum campaign. The issues were far too important for anyone to say that votes were affected by what Mr X said about Mr Y or vice versa, he said on the BBC radio programme Today.

He also said that, although he was not criticizing anybody, he feared that the two referendum campaigns were becoming so hard at one another that the cacophony would not merely deafen people but confuse them.

He thought the campaign had developed very well, but it had gone on too long. "I wish we could have got the referendum bill through in the House in a general election," Mr Wilson said.

Most people, he thought, had made up their minds. Now it was vitally necessary to get the maximum vote.

Asked about after the referendum, the Prime Minister replied: "The freedom to argue was up to June 5, which is only a few days from now. After that, that side it was unprecedented because of the referendum campaign. That ends after June 5, and I will go to it then that normal collective responsibility and courtesy and comradeship will be restored."

He mocked any suggestion that memories would linger, saying: "Oh, memories don't last as long as you people in the media think." He added later: "No, memories won't last, except in the archives of the EEC that will be dug up by historians."

Memories would not affect the fundamental issues of jobs, prices and Britain's standing in the world. He thought that in 1971 most people did not really go along with empty, but now, if there was a "Yes" vote, the argument would be over.

Asked if a "No" vote would be a setback to his finance, Mr Wilson said: "I am not concerned with my finance. I am much more concerned about the influence Britain in Europe of Britain in the world, Britain in our own country with the Soviet bloc, the United States and Commonwealth."

But a "No" vote would mean a setback and would be things very much harder very much tougher for British people.

At a Britain in Europe conference yesterday, Mr James, Home Secretary, was asked if he accepted that Mr Wilson's depreciation of the use of personalities was a rebuke to him.

He replied: "We all to keep personalities out of campaign as much as we but it is sometimes difficult campaigns."

## Heath attack on 'two-faced' far left

By Michael Hatfield

Political Staff

A savage attack on the "two-faced" referendum campaign of the extreme left was made by Mr Heath last night.

"We would find ourselves pulling out of the European Community straight into the arms of the wild men of the left," he told a meeting at Catterick, Yorkshire. "The whole country would be plagued with foot and mouth disease."

Mr Heath said the extreme left claimed to believe in the sovereignty of Parliament but refused to accept Parliament's decision to join the EEC. They talked about the so-called bureaucracy of Brussels, but were committed to a massive bureaucracy at home over every aspect of our lives. Mr Heath's Department of Industry employed more Civil Servants than the entire EEC Commission covering nine countries.

"The left do not really all that interested in the Common Market," Mr Heath said. "What they want is for Britain to break her treaty obligations and pull out of the Community so that they could impose their own extreme socialist state in Britain."

Mr Jenkins, Home Secretary, said last night that one wing of the anti-European cause had been shouting so loudly that they had almost eclipsed the official view of the "No" pamphlet, which rested on the free trade area alternative.

They believed in a siege economy, he told a rally in Liverpool. They proposed direct controls on imports, forgetting the lesson of the 1930s, when such beggar-my-neighbour tactics drove the world deep into recession, and forgetting that Britain was more dependent on exports than almost any other industrial country.

"Our industry would grow less competitive and efficient crouching behind a high tariff wall, and jobs and investments in the export trade would dry up," Mr Jenkins said. "As a country which last year consumed 5 per cent more than it produced, we are uniquely ill placed to take this leap into the unknown."

Mr Thorpe, Liberal leader, asked how Mr Heath's vision of Europe as a "job absorber" could be equated with the ideals of the social action programme, which, when fully implemented, would benefit every worker in the Community.

"One side is wrong, and if

only because every senior member of the Cabinet disavowed him, not to mention CBI and even the TUC, we has been ominously silent the issue, it looks very much though Mr Benn and his other embattled dissenters hopelessly outnumbered."

"Guest workers": More than six million people from 15 countries have been uprooted from their homes and families spread around the EEC cities as "guest workers", now find themselves unemployed or working short hours. Mr Clive Jenkins, general secretary of the Association of Technical and M Staffs, said last night.

They had been made adie and gypsy-like as powerful and wealthy national companies. They can return to the Market countries Spain, Greece, Portugal, Yugoslavia, Algeria, and Tunisia. West Germany nearly two million of France about a million.

"It is civilised to tell the people, but here people being taken marketplace as they were dumb commodities. Jenkins said.

## Conservatives in favour

By Our Political Staff

More than six thousand Conservatives who have taken part in group discussions nationally have voted strongly in favour of Britain's staying in the EEC.

Under the auspices of the Conservative Political Centre, the groups, which represent Conservatives from all walks of

life, have been meeting for the past two months, and voted on the question: "Is your group in favour of or against remaining in the Common Market?"

Ninety-four per cent of those taking part voted for staying in the EEC, with 5 per cent voted for coming out. A hundred people, representing 1.61 per cent, abstained.

What is the latest forecast for the construction industry in the North East in 1975/6?

Are HP sales up on last month?

What is the level of cine-camera ownership by country in Europe?

## Finding the answers to these questions takes time. Make sure it's ours, not yours.

The Times Information and Marketing Intelligence Unit.

Over the last eleven years the Unit has steadily built up a comprehensive library of files covering the many sectors of business and marketing needed to service the marketing effort of the Thomson Organisation Limited.

The Unit has now opened its doors to the 'business public' and is offering its information and services on a fee basis.

The store of information includes files on all advertised products: on companies in the UK and overseas; market research; media and distribution. The library is regularly supplied with reference books, directories, reports and government publications. All quality newspapers, along with 250 magazines covering consumer interests, business, trade and technical publications are scanned for information and are kept for a minimum of six months.

The Unit comprises two sections:

**The Information Section.**

This incorporates the library itself and staff who, in addition to storing information, are able to answer quick queries either over the phone or by sending on material extracted from the files.

**The Marketing Intelligence Section.**

Executives in this section answer longer, more involved queries and produce detailed reports and analyses. Especially tailored continuous services are also available.

In short, whether you're after the simplest population statistic or an involved breakdown of HP sales in the UK, you'll find the facts through The Times Information and Marketing Intelligence Unit.

There is a basic scale of fees starting with a retainer fee of £150 p.a. which gives access to the information in the library.

For further information about the Unit and how it can help you, write to: Christine Hull, Manager, The Times Information and Marketing Intelligence Unit, New Printing House Square, London WC1X 8EZ.

The Times Information and Marketing Intelligence Unit.

## HOME NEWS

## Why prisoners prefer life inside

By Clive Borrell

The Home Office has begun an investigation into the reasons why so many men want to stay in prison and waive their chances of being considered for parole. The annual report of the Parole Board, published yesterday, shows that at times one in 10 would prefer to stay in prison rather than apply for early release.

Of the 7,546 prisoners eligible last year for the first review of their sentences, 484 refused to be considered. Of the 3,135 men due for a second or later review by the board, 320 refused.

Their reasons are being collated by members of a Home Office research unit for a report to Mr Jenkins, Home Secretary, who plans to publish his findings soon.

Inquiries show that some men do not want to get out because they fear reprisals, while others feel that the world is too complicated to face. A few have said that life in prison is more congenial than with their wives and families.

But some, especially those serving sentences of three or four years, do not apply to the board in the hope that, should they be convicted again, the

trial judge will take into account their "reasonable" attitude. They know that a future sentence will be heavier, and that they might qualify for special consideration when they are sent for parole.

Many others prefer to waive their parole rights in order to be considered for the pre-release scheme, which gives them more time to earn money in prison and be discharged with a nest-egg ready to start a new life.

Most of the others do not bother to apply for parole because they are sure they will not get it.

## Pop star's car in fatal crash

An elderly woman died yesterday in an accident in Corston Road, Edinburgh, involving a car driven by Les McKeown, lead singer of the Bay City Rollers pop group. He was not injured but a girl passenger in the car was slightly hurt.

A concert planned by the group for Colston Hall, Bristol, last night, was cancelled but today's concert in Southampton will go ahead.

## Moustache goes

The Prince of Wales shaved off his moustache yesterday, removing the last traces of his "full set" before leaving Buckingham Palace to rejoin the aircraft carrier Hermes in Canada.

## War orphans' deaths 'due to neglect in Vietnam'

Three orphaned Vietnamese baby boys blown to Britain last month died shortly afterwards of bronchial pneumonia due to malnutrition, an inquest at Hounsey, north London, was told yesterday.

Recording verdicts of death due to lack of care, Dr David Paul, the coroner, said the babies "must have been subjected to considerable lack of care" in Vietnam before being brought to Britain.

Professor Donald Teare, the pathologist, described Nguyen Thi Minh Trang, aged seven months, as a "wasted little girl" only 22½ inches long. Nguyen Thi-Minh Thun, aged six weeks, weighed 5lb 12oz

and was only 20 inches long, and Mai Thi Diem Hong, aged five months, weighed 6lb 4oz and was 19 inches long.

"A normal child of six months would weigh 12lb to 15lb and a six-week old child would normally weigh 8lb or 9lb," Professor Teare said.

Dr Michael Massey said he flew from Saigon with the children, and on their arrival on April 6 all three were admitted to hospital. They had been treated in the aircraft with antibiotics and were no longer dehydrated.

Trang died on April 14; Hong on May 5, and Thun on April 18.

## National Front to fight by-election

By Our Political Staff

The National Front announced yesterday that it will be the forerunner in the by-election at Greenwich, W. Wick, caused by the death of the Labour MP Mr Will Handberg, who had a 3 majority. The candidate is Ruth Robinson, a housewife.

The writ for the by-election has not yet been moved.

Mr Joseph Stanner, a lecturer at Thames Polytechnic, the prospective Labour candidate, He thought Bexley, Bexley Heath, at the last election, was Mr Cyril Townsend, the Conservative, has a 1987 majority. Peter Bottomley, an industrial economist, who contested the seat in the October and February, 1974, elections. Mrs Sheel Hobday, a housewife, is the prospective Liberal candidate. Working Liberal: Mr Nicholas Westbrook, aged 26, a company director, of Watford. Herfordshire, has been adopted. The Conservatives had a majority of 8,735 over the Liberals last October in a four-corner fight.

## Boys expelled

Three boys have been expelled from Chalfont College in the past fortnight for taking drugs. Mr David Ashcroft, the headmaster, confirmed in a letter that the boys had been expelled to stay because it was their first offence.



## Inside.

Inside this Rolex Oyster case, there's a hand-tuned rotor self-winding movement called, with good reason, the Perpetual. You never have to wind it up. Nor does it have a battery to run down.

Before this movement is placed within the safety of its Oyster case, we submit it to an independent body called the Swiss Institute for Official Chronometer Tests.

Here, for fifteen days and nights, the accuracy of the movement is subjected to the most rigorous series of tests. Hung in every conceivable wrist position, in varying temperatures, the movement has to achieve a remarkable degree of accuracy before it can be officially certified as a Chronometer.

This is a title the Swiss guard very carefully indeed. But over the years, Rolex have won nearly half the Chronometer Certificates which have ever been awarded, even though our painstaking production techniques allow us to produce a mere fraction of the annual output of Swiss watches.

## Outside.

Protecting the Perpetual movement is the Rolex Oyster case.

It is carved out of a solid bar of gold, platinum or stainless steel, in a series of 162 separate operations.

In most watches the winder is the weakest part. In a Rolex it is an added strength. It screws down onto the case rather like a submarine hatch, and is internally sealed for extra protection.

The crystal that covers the face is another unique Rolex device. The more under-water pressure you put upon it, the tighter it fits.

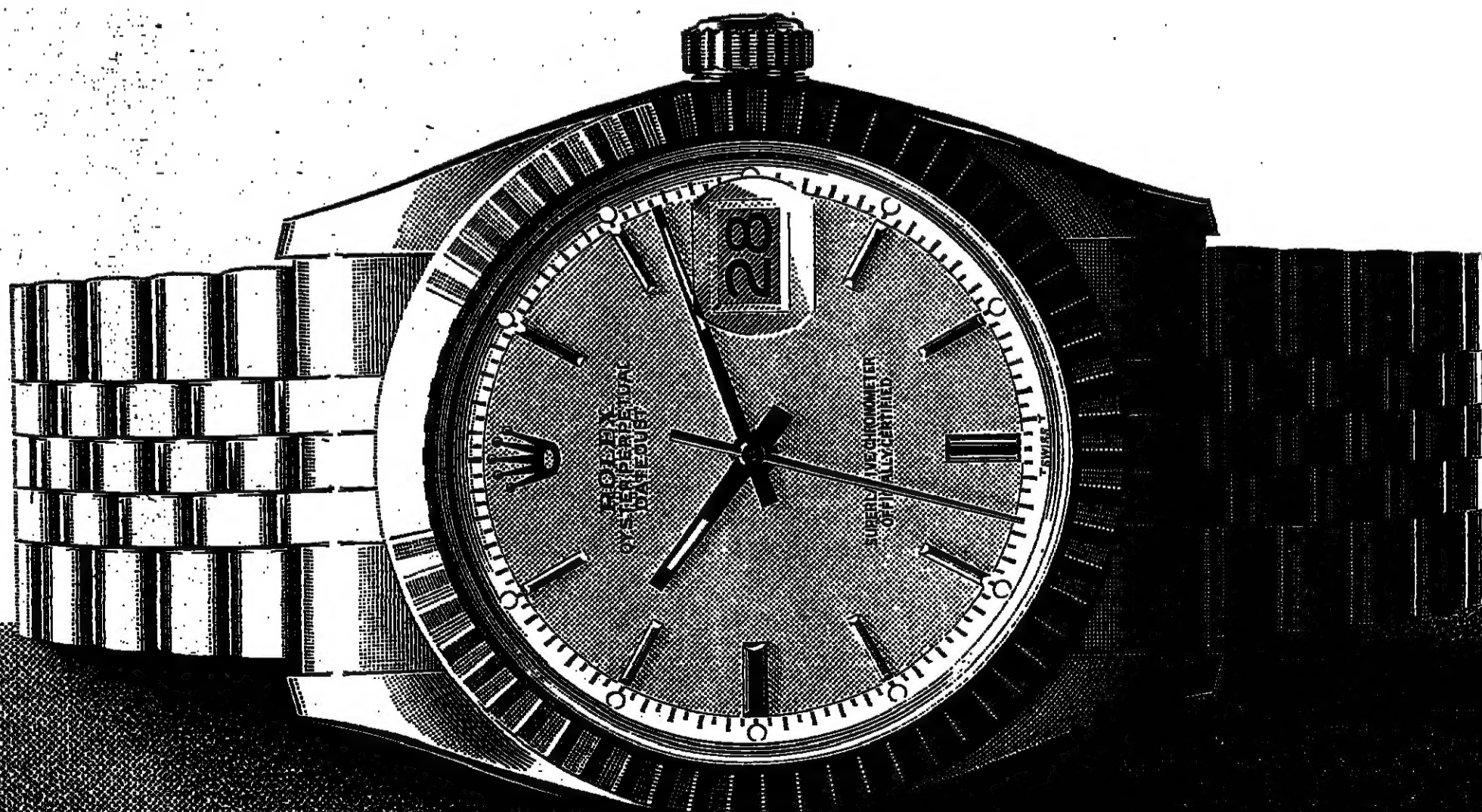
Rolex make many different Oysters. A Datejust in fine surgical steel costs £206, while an 18ct. gold Datejust costs £1,590. Or possibly you might prefer the platinum and diamond Day-Date. At something over £5,000, it's a very fine watch.

But, whichever Oyster you choose, you'll know that, inside and out, it's a remarkable example of the watchmaker's craft.

Recommended retail prices include VAT.



If you would like to write to us for an Oyster catalogue, we will tell you the name and address of your nearest official Rolex jeweller.  
Rolex, 1 Green Street, Mayfair, London W1Y 4JY.



# Know your Rolex inside out.















11



















## Tunisia is looking to the years of Mr Bourguiba

Only President  
Biden is

there is to be no public inquiry of any sort into the Poulson documents then—the rumours will continue. Rumours cannot be dispelled by mere assertion; they have to be publicly discredited.

**Patrick Marnham**

**Maurice Druon**  
The author is a member of the  
French Academy

As a result, the continuity of foreign policy is endangered in order to preserve the nominal unity of a party, and electoral preoccupations bring into question the signature of the nation. At least, that is how matters look from the outside.

We are told Mr Wilson did

imperial missions, she missed the opportunity of assuming the role of leadership of Europe which no one, in view of the part she had played during the war and the position in which the continental nations found themselves at the end of it, would have dreamed of denying her.

man, France or Germany—to meet those three conditions alone. The states of Europe can do so by clubbing their resources, by adjusting their actions, and unifying part of their institutions; at the very least, they can united, throw sufficient weight on world scales to protect their interests.

**Maurice Druon**  
The author is a member of the  
French Academy

Now, greater emphasis is being put on practical training for children, especially those leaving school after primary level, the better to equip them for the world outside.

Politically the great concern at present seems to be con-

provide itself with some checks and balances that one day save it from an dictatorship. And checks and balances might even help find some of the political lacks at present.

and write. There ought to be a law against it."

## Not an inch

It is a coincidence that in a week which has seen growing talk in Northern Ireland about a possible declaration of UDI, news should have leaked that a prominent loyalist politician was thinking of setting up an independent Ulster-based airline. The idea has been around for some time, and only came

black pudding nor tripe. Pamela Tickle took the honours at the Cook of the Realm finals in London with a menu of chicks with chestnuts and orange, followed by chocolate ginger cake. There was a hint of disappointment among observers that a strong male challenge failed to carry off any of the prizes. Four of the 11 finalists were men, and during the tense moments of final judging it was they who were seen discreetly polishing off the bottles of

exceed the rate of one's biological rhythms leads to a loss of ability to "concentrate." Upstairs a chamber orchestra of houseplants is making music through a "synthesizer" while ants, mice and hamsters find their way about a variety of mazes and labyrinths.

The plants were not performing yesterday, because the artist, John Lifton, had not yet wired them for sound. He was involved in an intricacy of wires and circuits with a solder-

Roosevelt goes farther: "No matter how long it takes to end Hitlerism, you have a definite date to Hyde Park (Roosevelt's country house) two weeks later. The inevitable has happened, and we must all of us hope-and pray for the day that similar 'inevitabilities' will no longer threaten." He wrote that he was putting into effect a "fairly well organized machinery" which the country seemed to be accepting.

researcher and student  
modern history who bought  
letters for £250 at Christie's  
Wednesday, says: "The le-  
are of historical significance  
because they are the clea-  
evidence yet that, even at  
early stage of the war, Ri-  
yolk knew that America w-  
have to come in against H-  
and was working towards i

# habitat

WORK BASKETS, WASTE BASKETS, BREAD  
BASKETS, LINEN BASKETS ...

Many of our baskets are hand-made,  
and they're often in unpredictable supply  
-because they usually come from the  
other side of the world. Made from rush,  
cane, bamboo,  
palm leaves,  
they're an  
essential part  
of our kitchen  
equipment.  
From 30p - £6.25  
Please visit  
a shop and  
see what's  
on display  
this week.

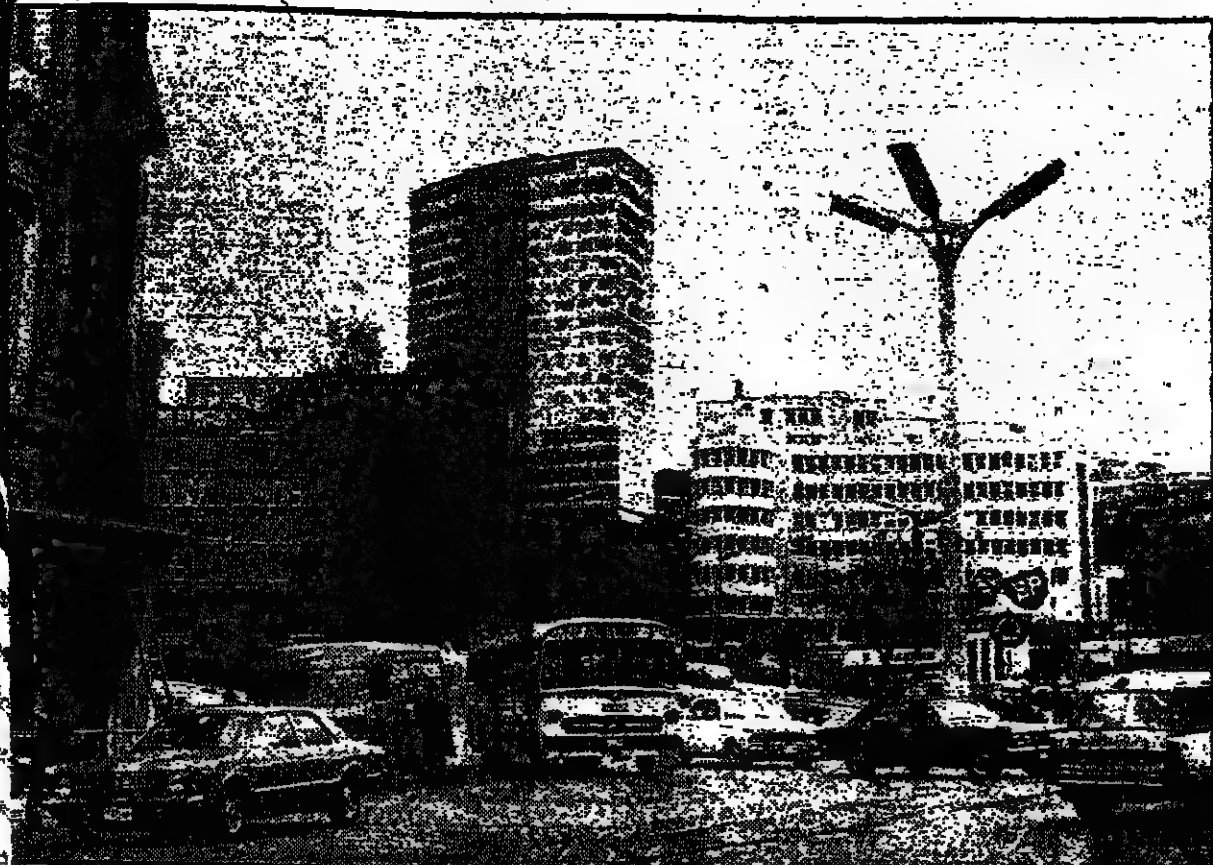
FIVE CATALOGUES,  
112 PAGES, 30P FROM  
PO BOX 25, WALLINGFORD, OXON OX10 9BT,

HABITAT SHOPS AT BIRMINGHAM, BOLTON, BOURNEMOUTH, BRIGHTON, BRISTOL, BROMLEY,  
CARDIFF, CHELTENHAM, CHICHESTER, COVENTRY, DUNDEE, GLASGOW, GLoucester, HARLOW,  
HULL, LEEDS, LONDON, MANCHESTER, NEWCASTLE, NOTTINGHAM, OXFORD, READING, SOUTHAMPTON,  
ST ALBANES, STERLING, STRATHMORE, TOTTENHAM, TRURO, WALSLEY, WIMBORNE, WINCHESTER, WINDSOR.



# Belgium

a Special Report



centre of Brussels with the Central railway station and Sabena Belgian airlines office to the right, dominated by the tower of the Westbury Hotel. Right: shooting of game in Belgium is governed by regulations and subject to a licence.

## Promoting harmony within three separate regions

ger Berthoud

Belgium is a country through which many foreigners pass on their way to somewhere else and where some 100 Belgians live in increasingly separate communities. Flanders in the north, Wallonia in the south, Brussels in the middle. All foreigners pass through Brussels, the capital, which is settled in Brussels, plays host in its complex, bourgeois way to headquarters of the Nato, and dozens of national companies. The existence of three distinct formal regions, gained formal recognition in the constitutional reforms of 1970. It is becoming a political reality. Far from reducing the country's unity, it may well help to stem the tide of separatist emotions and of separate working.

About 33 per cent live in Wallonia, speak French and towards socialism, and suffer from the region's old predominance in traditional industries: the high technology factories are in Flanders, the old coalmines in Wallonia. The rest, most of whom speak French, live in prosperous, bilingual Brussels, the geographical area which is limited by the famous 1962 "arrêté-jackpot" to 19 communes. Two cultural communities, three regions: from that springs the appalling complexity of the country's political life and institutions. Two of the three main political parties, the Social Christians and the Liberals, are divided into Dutch and French-speaking wings, and the Socialists have moved that way by appointing two co-presidents. There are three smaller but important parties fighting for the interests of the three regions: the Volksunie (Flanders), the Rassemblement Wallon (Wallonia) and the Front Démocratique des Francophones (Brussels). Parliament reviews, recognises an opportunity for reconciliation when he sees one. His

mass of overlapping regional councils. Under the constitutional reforms introduced in 1971 the two communities achieved a large measure of autonomy in the cultural field. When Mr Leo Tindemans became Prime Minister in April 1974, he and his minority coalition of Social Christians and Liberals (mainly of the conservative continental variety) decided to give priority to improving relations between the communities. They saw as the main instrument for that a speeding-up of the plan for regional devolution, known in Belgium as regionalisation. The preceding general election of March 10 had produced the first slight setback since the 1960s for the three regional parties, sometimes known as the federalist, linguistic or extremist parties, matched by a modest consolidation of the traditional parties. They had effectively stolen much of the federalists' favourite political clothing by embracing the cause of greater regional autonomy. Mr Tindemans, a Flemish Catholic of very moderate views, recognises an opportunity for reconciliation when he sees one. His

initial attempt to bring all three regional parties into the Government failed. With the Socialists preferring to go into the opposition, he was denied the two-thirds parliamentary majority necessary to introduce the constitutional reforms needed for a lasting devolution of central powers to the regions. But on June 9, after weeks of patient negotiation, M. François Péron, the leader of the Rassemblement Wallon, agreed that his party should join the Tindemans Government. It was a remarkable precedent. The regional parties had at a stroke been brought in from the cold. Only one had joined the Government, but all three were eligible to enter the mainstream of Belgian political life. M. Péron, an able academic lawyer, was soon put to work to draft legislation giving political substance to the long-debated concept of economic regionalisation. On August 1 "Péron's law" was adopted by Parliament, provisionally giving the three regions more autonomy in that field. Three regional councils were set up, and met for

the first time on November 1974, at Mechelen, Namur and Brussels. Consisting of senators only, with the addition of city councillors for Brussels, the councils are purely consultative, but could burgeon into full regional assemblies. Their task is to advise the Government in about 10 policy fields, among them urban renewal, housing, public health and labour policy. Collaborating independently with them are three new ministerial committees for regional affairs. They consist of ministers and secretaries of state involved in the preparation of government legislation, and decisions which have a regional impact. The committees also propose the distribution of budget credits for regional policy expenditures. The idea is that the regions should have an increasing say in how they are spent: whether, for

example, a credit of 10m for infrastructure should be spent on social housing or on new roads. The proportion of central funds which the regional committees can distribute with reasonable freedom should rise to between 13 and 18 per cent next year. "It's like a young man who comes home from his first job and hands over his wages to his family—and gets back a small slice to spend more or less as he likes", a minister explained. The money is distributed on the basis of a key related to surface area (favouring Wallonia), population (favouring Brussels and Flanders) and contribution to direct taxes (favouring Brussels). Flanders gets about 52 per cent, Wallonia 38 per cent and Brussels 9 per cent. This has been described at some length because it

represents a substantial achievement by the present Government. It may not ensure either Mr Tindemans's survival for long as Prime Minister, or a steady improvement in relations between the communities: the long-enduring hard-core of Flemish nationalism, beside which intelligent radicals are obliged to campaign within the Volksunie, can be relied on to exploit opportunities to cause trouble. But it will ensure Mr Tindemans a place in Belgian history books. His task as the "wise man" of the EEC, called on by the Nine to draw up a report on European union, may or may not add lustre to that.

In promoting harmony both within the EEC and Belgium, Mr Tindemans has been at his best as a negotiator and as a rare political leader who inspires trust. His weakness is his dislike of conflict and its corollary, a reluctance to exert authority. That is most apparent in the economic field, and could prove fatal to his survival as Prime Minister. The Government came to power when the energy crisis was aggravating inflation. Perhaps because the Belgian economy is to an exceptional extent governed by world trade—Belgium is the world's eighth exporter—Mr Tindemans preferred to concentrate on more purely political problems. From a position similar to Holland and Germany, inflation in Belgium has gradually reached a position between Europe's "good boys" and the weak ones like Italy, Britain and Ireland. Unemployment is up to the 5 to 6 per cent level, and there have been major demonstrations in Liège, Charleroi and Brussels.

The situation is particularly serious in Wallonia, an area of dying or old-fashioned industries reminiscent of parts of Britain. Like many British firms, the Walloons tend to look to the state to get them out of trouble. About 65 factories have been occupied by workers over the past three years, and all but half a dozen of them were in Wallonia. The level of frustration among workers in multinational firms—as odds with a distant, faceless master—is high. But with Wallonia contributing only about 20 per cent of direct taxation, the Flemish are increasingly reluctant to see their funds used to help strike-prone, disgruntled and seemingly less enterprising Walloons. Without some re-orientation of Wallonia, Mr Tindemans could find that his relative neglect of economic problems is threatening his achievements in the field of regionalization.

## Joyds Bank Group in Belgium.

Lloyds Bank International are in Brussels and Antwerp.

Brussels: Lloyds Bank International (Belgium) S.A.  
2 & 4 rue Royale,  
B-1000 Brussels.  
Telephone: 512 67 90, 512 62 62

Antwerp: Lloyds Bank International (Belgium) N.V.  
52 Meir,  
B-2000 Antwerp.  
Telephone: 32 78 00

For further information on doing business in Belgium please contact our European Division.

**LLOYDS BANK INTERNATIONAL**  
40/86 Queen Victoria St, London EC4P 4EL Tel: 01-248 8822  
A member of the Lloyds Bank Group

LBI, the Bank of London & South America and their subsidiaries have offices in: Argentina, Australia, Bahamas, Belgium, Brazil, Canada, Cayman Islands, Colombia, Costa Rica, Ecuador, El Salvador, France, Guatemala, Guernsey, Honduras, Hong Kong, Japan, Jersey, Lebanon, Mexico, Monaco, Netherlands, New Zealand, Nicaragua, Panama, Paraguay, Peru, Philippines, Portugal, Singapore, Spain, Switzerland, United Kingdom, U.S.A., Uruguay, Venezuela, West Germany.

## THE MOST ADVANCED AIRLINER IN SERVICE TODAY IS EUROPEAN, THE AIRBUS A300.



Keeping down holiday costs for Belgians, Trans European Airways of Brussels is the first airline to operate the A300 on charter flights.

**On time, on cost, on performance.**  
Built by Airbus Industrie, a single company drawing on the talents, skills and resources of five nations, this major new civil aircraft was completed on time, within cost estimates and meeting or surpassing all performance targets.

**An outstanding service record.**  
In airline service since May 1974, the Airbus A300 has demonstrated from the beginning a degree of reliability achieved by other new aircraft only after some two or three years of operation. Dispatch reliability has been in excess of 97 per cent right from the first flight.

Airlines have found that the A300 not only has significantly lower costs per seat mile than the equipment it replaces, but it attracts substantial new business too. The large underfloor freight volume has also proved a profitable source of new revenue.

**What London doesn't hear.**  
People living near airports have good reason to appreciate the Airbus A300. Officially certified (U.S. FAA and ICAO) as the quietest of the new quiet wide-body airliners, the low noise level of the A300 is such that recording equipment around London Airport habitually fails to detect the aircraft above the background sound level.

**World-wide service.**  
The Airbus A300 is in service now with Air France, Air Siam and Trans European Airways. And soon other communities around the world will discover the economic and social benefits of the Airbus A300 as it enters the fleets of Lufthansa, Korean Airlines, Germanair and other airlines.

**Co-operation that works.**  
But Airbus Industrie has done so much more than simply build a new and quiet comfortable plane. The success of this new young company in launching a large new civil aircraft indicates clearly how committed Europeans, submerging national differences, can work together with determination to gain a foothold in a highly competitive world market. Airbus Industrie is a convincing demonstration of the possibilities offered by European co-operation at a practical working level.

Airbus Industrie is Europe working together to success.

**Airbus Industrie**  
Giving wings to Europe





## SOCIETE GENERALE DE BELGIQUE

### Centre of an industrial and financial group

The SOCIETE GENERALE DE BELGIQUE provides the undertakings in which it is interested with long and short-term financial support (loans, financial backing, guarantees, issue of and subscription to shares and bonds).

Above all it takes a direct part in running these subsidiaries, in close association with their top management, at the level of matters of general policy and fundamental decisions, though not of day-to-day management.

Against an economic and social background of rapidly evolving techniques and the growing international character of business, the SOCIETE GENERALE DE BELGIQUE has set itself the task of furthering by the means at its disposal the setting up and development of undertakings which measure up to present-day market conditions. Only the latter can provide an effective response to world competition by allocating substantial funds to applied research and using the most up-to-date techniques.

A policy of this kind implies the concentration of the human, technical and financial resources of the SOCIETE GENERALE DE BELGIQUE and its group around a small number of key companies of sufficient size to enable them to compete on equal terms with large foreign corporations.

#### BASIC FINANCIAL FIGURES, 31st DECEMBER 1974

	In millions of Belgian F
Capital and reserves	9,380
Share portfolio	
Estimated value	18,722
Balance sheet value	11,569
Surplus value	7,153
Cash and receivables	8,929
Liabilities	8,874
Profit for financial year	1,306

Registered Office:-  
rue Royale, 30-B 1000 Brussels—Tel 02/513.38.80

External Relations Department:-  
rue des Petits Carmes, 51 B 1000 Brussels—Tel 02/513.88.55

Further information can be obtained from:  
Banque Belge Limited, 16 St. Helen's Place, London, EC3.

### SOCIETE BELGO-ANGLAISE DES FERRY-BOATS S.A.

The biggest stevedoring company operating for over half a century in the young booming port of Zeebrugge on the Belgian coast facing Britain, with direct access from the North Sea.

#### Activities:

##### TRAIN FERRY TERMINAL:

shipment of direct Train Ferry wagons and Roll-on/Roll-off vehicles to and from Harwich.  
Phone: 050/54.47.91—Telex: 19120.

##### SHORTSEA CONTAINER TERMINAL:

fully automated/one of the most efficient in Europe/shipment of ISO-containers to and from Harwich/large container repair workshop.  
Phone: 050/54.42.11—Telex: 19110.

##### OCEAN CONTAINER TERMINAL:

designed for handling third generation container vessels/shipment of containers all over the world/stuffing and stripping/refrigeration plant for temperature control.  
Phone: 050/54.52.71—Telex: 19277.

Customs agency facilities with specialized staff.

#### HEAD OFFICE AND GENERAL DIRECTION:

Rue de France 85, 1070 Brussels.  
Phone: 02/524.01.08—Telex 23584.



Ingots being cast at the Sidmar steel plant in Zelzate which has a production capacity of 1,500,000 tons of crude steel a year. Top: the changing face of Liège with the Meuse in the background.

### Inflation is key problem

After months of hesitation the Belgian Government has at last mustered enough courage to tackle the biggest economic problem confronting the country—an inflation rate still running at some 15 per cent.

Announcing a 60-day price freeze from the beginning of this month, Mr Leo Tindemans, the Prime Minister, said: "The terrifying problem facing us is how to make our prices competitive again. Economic experts have established that in comparable sectors of industry even the United States is now producing more cheaply than Belgium".

To a country where 53 per cent of the gross national product derives directly from its export trade the message is clear. The present annual inflation rate will have to be trimmed significantly if Belgian goods are not to price themselves out of overseas markets.

Belgium was fairly fortunate in being struck by inflation later than most other industrialized countries. In 1973, for example, prices rose by some 7.5 per cent, a rate which compared favourably with the 7.4 and 7.9 per cent increase in West Germany and The Netherlands over the same period.

But from the beginning of last year inflation began to rise sharply to reach a level of 15.6 per cent over the 1974 calendar year. This compared with much lower rates of 10.7 and 6.1 per cent in The Netherlands and West Germany.

Since reaching a peak of some 16.8 per cent during the third quarter of last year, there have been signs of an easing in the consumer price index. During the first quarter of this year, for example, the rise had fallen to some 11.6 per cent.

Even although this more favourable trend is expected to continue over the coming months, the index is still expected to rise by at least 10 or 11 per cent this year.

As a recent report by the Banque de Bruxelles put it: "It was in this context that the Belgian Government announced its 60-day price freeze."

The other big difficulty confronting the Government has been the rapid rise in unemployment since the recession began to bite just over a year ago. During that period the number of unemployed has risen by more than 60 per cent to affect 6 per cent of the working population. At the end of March there were some 156,000 wholly unemployed divided almost equally between the sexes and an estimated 120,000 on short-time work. The sectors most affected were predictably the traditionally vulnerable ones like the steel and construction industries.

Under pressure from the unions the Government has made some half-hearted attempts to reduce unemployment. At the end of last year it agreed to step up its public work programme to provide an extra 20,000 jobs for the unemployed, and the latest price freeze was accompanied by further modest measures to reflate the economy. Among these was a reduction in the swingeing social security contributions of businesses with large labour forces, lower tax charges on company stock and tax relief on certain kinds of investments.

Clearly, if inflation is to be controlled and unemployment is to fall appreciably, the Government will need to loosen the present tight link between prices and wages. Under one of the most advanced index schemes operating in Europe, most wages rise automatically in line with the cost of living index. Indeed, many Belgian commentators see the introduction of the price freeze and the accompanying reflation measures as a first step towards such a change of policy. Significantly, the parties in the coalition Government have already voted in favour of modifying the index system.

On the brighter side Belgium still boasts an enviable balance of payments surplus, although there are

signs that this year's figures will be less reassuring.

Last year, in spite of the four-fold increase in energy prices, the structural surplus on current account totalled 25,100m Belgian francs (about £300m). Although this was less than the record 1973 surplus, it was still more than the average surplus for the preceding four years.

The figures for the first quarter of this year were also fairly good, but they are expected to be offset by a number of negative factors in the pipeline. The pattern of leads and lags in trade returns is likely to bite into this year's surplus and the value of certain exports, like steel, may decrease as a result of falling prices.

In addition, the balance of payments could be adversely affected by a significant increase in capital outflows encouraged by the recovery of foreign stock exchanges and the Euro-bond market.

Although a repetition of last year's large surplus is unlikely this year, the Banque de Bruxelles expects the Belgian franc to remain strong. Since the advent of floating exchange rates, the franc has "persistently been the strongest currency within the European snake, while the net external assets of the National Bank have increased over the first three months of this year by as much as 14 per cent", it pointed out in a recent report.

Indeed, over the past year the Belgian franc has appreciated against the dollar by some 17 per cent; and on a trade-weighted basis against the world's main currencies it has increased in value by about 7 per cent since December, 1971, when the Smithsonian Agreement was concluded.

Overall, the economic prospects are considerably less rosy than a year ago. The situation is nearly summarized by the European Commission in its latest quarterly economic report: "In Belgium, where the economic climate has deteriorated distinctly since the autumn, and economic policy was relaxed at the end of last year, the growth of activity could be very small in the second half of 1975 and unemployment may become even more widespread. The upward movement of consumer prices, which remained very rapid up to February, may slacken appreciably; the external balance could also deteriorate somewhat."

## Man most likely to succeed

by David Cross

Political cartoonists have experienced little difficulty in the past in caricaturing Mr Willy Claes, one of the leading lights of the Belgian Socialist Party.

As Minister for Economic Affairs in the late Socialist Party coalition, he was portrayed as a diminutive, orchestral conductor struggling to control the forces of inflation with a baton larger than himself or, during the energy crisis, as an Indian snake charmer, trying to soothe irate Arab oil producers. Earlier, when he was a party worker, he was always depicted as the office-boy desperately keen to take over from his boss.

But since his recent election to the joint presidency of the party, at the age of 36, the cartoonists have been somewhat at a loss to find a new characteristic pose for Mr Claes. Success is always more difficult to portray than the struggle to attain it.

In the case of Mr Claes, the path to what could well be the Belgian premiership began in Hasselt, the provincial capital of Limbourg, in the early postwar years. His father was a professional musician, not a very practical man in his son's view, and his family education was left largely to his mother. Neither of his parents was a committed socialist, but in a province which is traditionally conservative and Catholic, they both instilled the young Claes with a sense of liberalism and anti-clericalism.

This social awareness was first awakened when, at the age of 13, he and his family found themselves and their few possessions on the street outside their rented house. Their landlord had given them notice to quit and rented accommodation at a reasonable price was difficult to find in the early fifties.

It was shortly after this unhappy incident that the young Claes abandoned his first ambition, to become a professional musician like his father. Through his brother he met a leading Limbourg socialist, Mr Walter Thyse, who later organized and began to build up the party machine in the province. At his suggestion Willy Claes attended a number of local rallies and soon became an enthusiastic young socialist, rising to president of the Limbourg branch at 17. "From then on I didn't need any further encouragement: I was completely bitten by the political bug", he recalls.

Although by this stage he had set his sights on a career in politics, he realized that he needed a fall-back position. With the encouragement of Mr Thyse, and the full support of his mother, he decided to read diplomatic and political science in the French-speaking section of Brussels University.

This unusual choice for a Limbourger, whose earlier education had been conducted in Dutch, enabled him to become truly bilingual—an asset which has stood him in good stead in his subsequent career as a minister and politician. Ironically, under Belgium's language laws, Mr Claes would now be categorized as a French-speaker if he joined the Belgian civil service.

After a rounded university career, during which he took part in student politics and armed with a degree, he returned to Limbourg to



Mr Willy Claes: "I try to present the image of socialism."

carve out a political career. This was no easy task in a province where, in spite of the efforts of Mr Thyse, the Socialist Party still lacked a solid infrastructure.

As a starting point he found a modest post in a local mutualité, one of the many private organizations which look after health insurance in Belgium. These are often sponsored by political parties and in Limbourg were already used by the Socialist Party as a springboard for organizing the political movement in the province.

Here he set about building up a party machine, which, when he joined the mutualité in 1951, still required such basics as a budget to contest local elections. There was also the problem of creating a new image for the party in Limbourg, overcoming the defeatist attitude of the faithful and winning new converts.

#### Powerful party machine

Through hard work and organizational ability, he helped to build up a powerful party machine which brought an impressive series of electoral successes. In 1964 he was elected to the local council, a post he still retains, and in 1968 to the Parliament—the first socialist in Limbourg to oust a conservative member. In every subsequent general election, including the one last year when in most parts of the country the socialists lost ground, he has improved his popularity with the local electorate.

His chance to join a government came in January 1972, when after 10 weeks of intensive consultations of the Prime Minister, Mr Gaston Eyskens, succeeded in stitching together a Christian Socialist-led coalition with the support of the socialists. Mr Claes, who had retained good contacts with the academic world since his student days, found himself Minister for Education, responsible for the Dutch section of the country.

When this coalition apart later the same year, the socialists took the leadership of a three-party coalition, he given the more important portfolio of economic affairs. His socialist predecessor also once tipped as a stable future prime minister was Mr Henri Simonet, left Belgian politics to the EEC Commission.

Mr Claes was still in when the crisis erupted, although he concedes that he made mistakes, his performance sufficiently expert to nominate "man of the year" by Belgian political journalists in December 1973.

Since the Socialist Party's retreat to the opposition benches a year or so ago, party organization, culminating in his election as President at the beginning of March.

Here he expects to retire at least the next 10 years, where he his undoubted organizational talents can best be seen. Even his critics down him, he has succeeded, at the recent vote to the Belgian Socialist Party is bound to problems for someone describes himself as "moderate" and others as too far to the right.

Certainly no one who that he will try his to update the party's As he himself puts it:

"There is no point in facturing a high product, if you cannot it. I try to present the image of socialism, inspire confidence, explain and prove."

This awareness of need for public relations, modern politics has him something of a vision personality. As he composed a hit entitled Little Red and only a few weeks he made his screen as a pianist. One musical ambition he still hopes to fulfil, the symphony orchestra, which is fulfilled, the pianist at least will be happy.

## Solvay is building the future

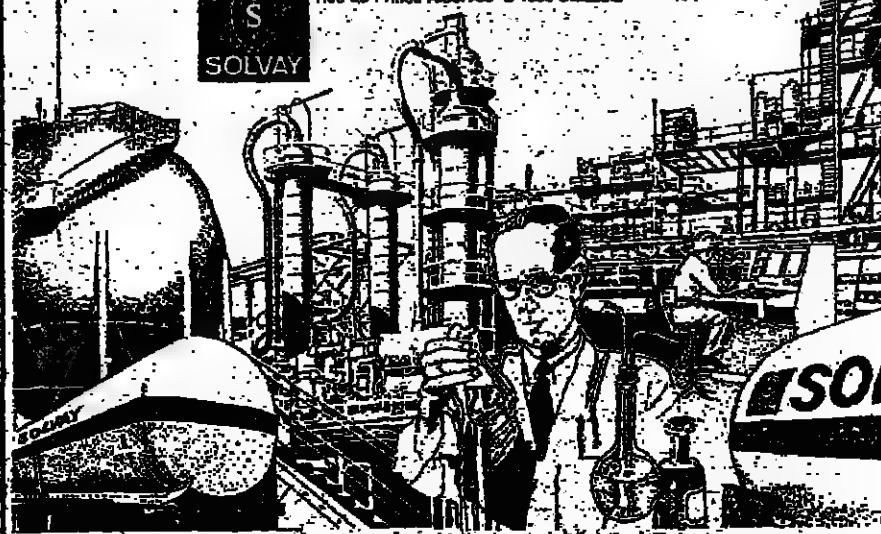
At SOLVAY, 1 person out of 20 is working in research. Out of a total labour force of 45,000 people, more than 2,000 are entirely engaged in the development of new products for modern chemistry and plastics.

The SOLVAY Group already has available very large annual production capacities, especially:

- more than 5,000,000 metric tons of alkalis
- 1,400,000 metric tons of chlorine
- 12,000,000 metric tons of salt
- 190,000 metric tons of hydrogen peroxide
- 315,000 metric tons of sodium carbonate
- 800,000 metric tons of polyvinyl chloride (PVC)
- 400,000 metric tons of high-density polyethylene

At present the SOLVAY Group has more than a hundred factories and subsidiaries located in 15 countries; 11 of those are in Europe. Its consolidated turnover in 1973 exceeded U.S. dollars 1,670 million, which places it among the 10 biggest European chemical groups.

SOLVAY & Co., Head Office  
Rue du Prince Albert 137 B-1000 Brussels





## Lard-hit bankers expect less menacing year

A Special respondent

biggest recent development in the Belgian financial scene, the merger between Banque de Bruxelles and Banque Lambert, has off to an inauspicious start. Announced at the end of last year after many months of negotiations, the fusion of Belgium's second and fourth largest banks was supposed to be completed by the end of last year. But much of the early enthusiasm has faded.

A completion of the merger was expected by the news that the two banks, Société Générale de Belgique and Banque Lambert, had suffered losses in 1974. The losses were higher than those of last year's exchange operations by the cost of the bank's (about £42.5m).

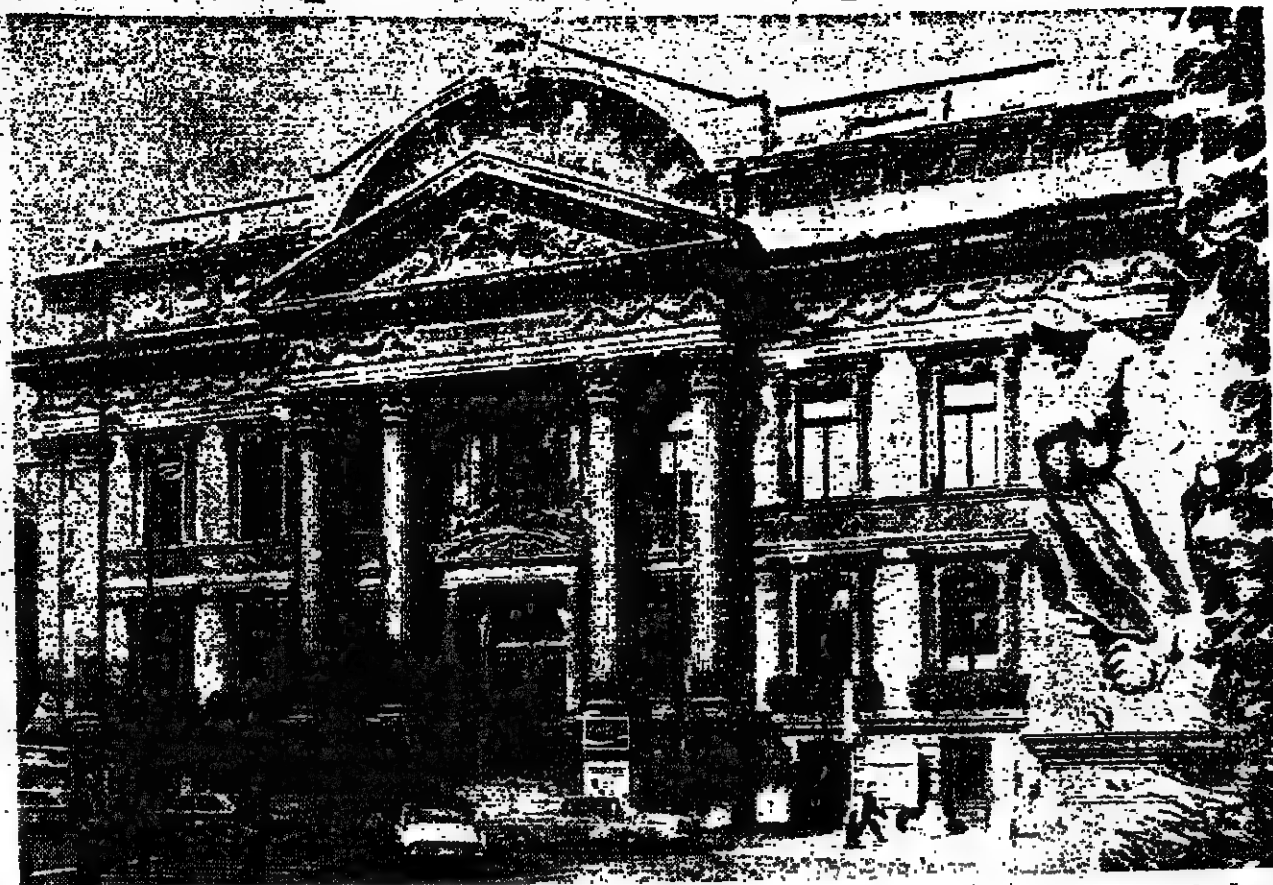
After setting this year's losses, the net loss amounted to \$50m and the bank had to pay a dividend for 1974 dip into its reserves to itself.

A new bank—Banque Lambert—remains in size, ahead of ranking in the Belgian foreign exchange losses forced the original schedule to be modified. Part of the scheme to the new bank solidly the orbit of the Brussels holding group.

But the merger is postponed. This is due to tax deductions by Banque de Bruxelles for losses will extend over more than one financial year. But as a later merger, a holding company controlled by Banque Lambert, the CIE Bruxelles-ert pour la Finance et l'industrie, will be set up.

Belgium's Lambert had a year last year. Its consolidated net profit in 1974 was 1.15m francs, a majority shareholder of 566m francs (about £87m) from 817m francs. A company blamed a sharp rise in costs, high interest rates, depressed stock markets and fluctuations in foreign exchange markets. The costs are still rising, particularly as the franc is pegged to the dollar, which is giving Belgium double inflation, although this seems to have reached a peak now. But the bank still needs a freeze to reinforce its inflation campaign.

Foreign exchange markets continue to fluctuate, with the franc's value of the French franc in the European Economic



The Brussels Bourse, like other stock markets, has recovered from last year's low prices and turnover.

Community's currency float, year. Its investments are mainly in banking, non-ferrous metals, energy, chemicals and construction industries, with the exception of building, which did well in the main last year. It reported a net profit in 1974 of 1.306m francs against 1.235m francs in 1973.

The other two factors quoted by Bruxelles-Lambert are distinctly less menacing than last year. Interest rates have been falling rapidly. The Belgian State Railways has just raised 5,000m francs on the capital market at 8 1/2 per cent, while a forthcoming convertible loan offering from Société Générale de Belgique will have an 8 1/2 per cent coupon and a par issue price.

The Brussels Bourse, too, is in better shape in line with other stock markets after the hammering they took last year. In 1974, the Bourse's turnover of 180m francs was the lowest since 1971. Despite the uncertain economic future, prices are holding well and are 25 per cent above year-end levels.

Société Générale de Belgique, the biggest holding company in Belgium, fared better than other banks in Brussels-Lambert.

### Big groups return better results

Prospects for 1975 are good and Mr Max Nokin, the governor of the Société Générale, has already forecast that the 1975 dividend would be better than the 1974 franc net a share paid out for 1974.

Belgian industrial companies fared well last year, and the big names—Petrofina, Union Minière, Cocke and Solway—all posted higher dividends and profits.

The general financial outlook for this year depends on a number of unknowns. The first is the success or failure of the Government's anti-inflation fight and its measures to stimulate the economy. Rising unemployment

brake on inflation and many business leaders and industrialists are attacking the deeply entrenched system of indexation for wages as fuelling inflation. Labour leaders, seeing little reduction of price rises, are in no mood to call into question the central pillar of the Belgian system.

The Government has just moved to freeze prices. Earlier it moved to freeze rents, many of which are pegged to the consumer price index, too. It will take some time before the effectiveness of government policy can be judged.

Belgium's payments situation looks good despite a higher rate of inflation for the past 18 months than for its main competitors. Last year closed with a comfortable current account surplus, which is continuing this year. The trade figures alone are showing a clear surplus for the first three months of 1975 against a deficit for the same period last year.

The chances are that the Belgium franc will retain its shine for some time to come. For the past few months it has been at the top of the EEC currency snake, leading to regular, if should see him through.

modest support for the German mark and the Scandinavian currencies particularly in the system. But the feeling is growing in Belgium that Mr Leo Tindemans, the Prime Minister, and his Government, missed an opportunity to revalue the franc early last year.

Having declined to follow the mark and the Dutch guilder, which both revalued the previous autumn, Belgium still had a chance to do so last spring. The country was in the unique position of being able to use a revaluation as a means of helping to curb inflation, given that its payments position was very favourable and its unemployment level still tolerable. But Mr Tindemans said "no".

He is said to have ruled this decision, particularly in view of the fact that West Germany and Holland have the lowest inflation rates in the EEC. However, with a little luck, the expected upswing in the world economy later this year, together with a steady hand as he negotiates the straits between the Scylla of rising prices and the Charybdis of higher unemployment, if should see him through.

## Farmers in resentment over prices

European farmers are demonstrating the failure of the Common Agricultural Policy, the Belgians are rightly well represented. It is the reason for this policy is geographical. The journey to EEC headquarters in Luxembourg is shorter for them than for more far-flung areas, but perhaps the important thing is that the policy is being imposed on them by the Community.

It was not always the case. In the early 1960s the CAP was being introduced by member governments, hopes were high for a wider European market to resolve some of the problems facing the country's 330,000 farmers. While the boom persisted in Belgium, the CAP was being introduced by member governments, hopes were high for a wider European market to resolve some of the problems facing the country's 330,000 farmers.

During this period Belgium's farmers watched the wages of industrial workers around them rise considerably while their income remained static. In 1968, wages in agriculture and industry were roughly equal, three years later the Belgian farmer was earning less than 80 per cent of the average industrial worker.

Resentment spilled over into violence during the huge protest march through Brussels in March 1971. Clashes between the demonstrators and police left one farmer dead and more than 100 injured.

The publicity surrounding the demonstration paid off. EEC farm prices were blocked and Belgian farmers were convinced that if member governments were to be influenced, they would have to take to the streets.

This has been the pattern ever since. During the carapic period, which followed the energy crisis and the subsequent rise in production costs, the Belgians were again to the fore in the European-wide agitation which led to record EEC farm price increases.



Sheep grazing on the outskirts of Tournai. Resentment apart, farmers acknowledge benefits from Community policy.

totaling 12 per cent last year. Belgium farmers suffered more cruelly than most from the after-effects of the energy crisis. Nearly 90 per cent of their income comes from animal and horticultural production and these were the sectors hardest hit by cost increases.

Beef, pig, poultry and egg farmers, for example, who together produce about a half of the country's agricultural output, were squeezed between falling market prices and higher fodder and energy costs. In the case of horticulturists, who are responsible for 17.1 per cent of Belgium's agricultural income, the four-fold increase in oil prices was the main problem.

These difficulties were compounded by the bad weather, which mainly affected sugar beet producers, and the glut of animal products like beef and eggs in other parts of the Community. Belgium is the world's largest egg exporting country and egg producers have seen their traditional export market in north Germany, for example, undercut by cheaper German and Danish produce.

The scale of the demonstrations throughout Belgium during most of last year was a clear indication that farmers were unimpressed by the various steps being taken by the Community to find solutions to their problems. Although CAP. They argue with complete justification that these discriminate unfairly

leaders think this is largely a reaction to the deterioration in the general economic climate rather than a result of recent price rises conceded by EEC member governments. Nearly all demonstrations in Belgium have focused on the price question, largely because this is a point readily and easily understood by the whole farming community. This is not the case with other aspects of a farm policy, the intricacies of which are understood by only a small group of farm experts in Brussels and other member capitals.

### Unpopular because of complexity

Indeed, Belgian farmers believe that the increasing complexity of the CAP is one of the reasons why it has become so unpopular with their members. As one of them puts it: "How on earth can you explain the technicalities of monetary and subvention amounts (more popularly known as 'border taxes') to the average farmer? And yet they directly affect his pocket."

The Belgians have also been annoyed in recent months by the outbreak of national measures introduced by member states, principally France, in defiance of the rules of the CAP. They argue with complete justification that these discriminate unfairly

against farmers in those countries like Belgium whose governments obey the rules.

In this context, the Belgian farmers' unions are firmly committed to ensure that the rule-bending achieved by the British in introducing a deficiency payments system for their beef farmers is only a temporary measure. When it comes up for rediscussion next spring they will be pressing for a full return to a single EEC beef policy.

Notwithstanding their general desire for the re-emergence of a truly "common" agricultural policy in the Community, the Belgians are not opposed to reforms. They readily conceded, for example, that solutions to the ever recurring "lakes" of surplus products must be found if the CAP is to continue to exist.

In spite of all the policy's recent disadvantages, most farmers agree that it has helped them in the past. To take but one example, between 1960 and 1973 the farming population was trimmed from 330,000 to 156,000 without undue hardship for those who left the land and with undisputed improvements in efficiency for those who have stayed behind. Further demonstrations may spread across the country again this year if costs continue to rise. But no farmer in Belgium is likely to take to the streets to call for the abolition of the CAP.

D.C.

## TO DO BUSINESS WITH BELGIUM, YOU DON'T NEED TO LEAVE LONDON ... !

Just contact  
**Banque Belge Ltd.**

16 St Helen's Place, Bishopsgate, London EC 3A 6BT - Tel. 01 283 1080

Established in the City since 1909, Banque Belge Ltd is a subsidiary of Société Générale de Banque, the largest Belgian Bank, at both domestic and international level.

Banque Belge Ltd can provide you with a full range of financial services from retail banking to the most sophisticated eurocurrency transactions.

- Seeking business opportunities in Belgium?
- Listing shares on the Brussels Stock Exchange?
- Setting up in Belgium?



**Société Générale de Banque  
Generale Bankmaatschappij**

International Division - Montagne du Parc 3, B-1000 Bruxelles  
Tel.: 02/513.66.00 or 513.65.25  
Specialists in foreign trade.



**Sabena.**  
The business-like way to Belgium. And Europe.



London-Brussels, London-Antwerp  
Manchester-Brussels, London-Ostend

An airline flying to Belgium 68 times a week may not seem particularly special. For Sabena, flying 68 times a week (more than any other airline) to the focal point of Europe, it has to be special. Special for businessmen like you. For Sabena's business-like approach provides you with the unique advantage of the Sabena

Business Executive Service. Which means at Brussels National Airport, you have such facilities as a private lounge with bar, an office complete with telex, copier, dictating machine, calculator and business information, all adjoining a well-equipped conference room. There's reason enough to make Brussels your European

capital. And Sabena your first choice for Belgium. And Europe.

**SABENA**  
belgian world airlines

**Brussels**

**Westbury**  
HOTEL BRUSSELS

In the heart of the city

For immediate confirmed reservations please call

**THE WESTBURY LONDON**  
629-7755

**HOTEL WESTBURY**  
6, rue du Cardinal Mercier  
B-1000 Bruxelles  
Tel.: (02) 513. 64. 80  
Telex: 22062





## Film industry

## A happy picture

Belgium aids its burgeoning film industry with cash grants. Left: leading film-maker Guido Henderickx (centre) interprets a scene. Below: Anicée Alvina appears with Jean Rochefort in *Isabelle Devant le Désir*, a recent film by Jean-Pierre Berckmans.

Henderickx and Berckmans are prominent figures in the Belgian film industry, which receives both pre-production and post-production aid from the state.

Pre-production aid can amount to as much as 50 per cent of the production budget. In the case of a first film, it is designed to enable a novice to make a short 16mm film on a low budget, which can then serve as a kind of visiting card to be shown to a producer in support of a more ambitious project.

This aid, which totalled 60m Belgian francs (about £705,000) in 1974, is recovered by the state at the rate of 10 per cent of the producer's returns, starting with the first box office receipts. Once the producer and his backers from the private sector have recovered their investment, the state receives a share of the profits in proportion to its financial stake in the project.

Post-production aid, which amounted to 44m Belgian francs (about £520,000) last year, is awarded on the basis of approval of a completed film after viewing. It is considered as a bonus and therefore does not have to be reimbursed.

Over the past 10 years pre-production aid has enabled the making of several interesting films in both Flemish and French. The Flemish include: *Het Afscheid* (Roland Verhavert), *Monsieur Hawarden* (Harry Kümel), *Palaver* (Smile Degelt), *Mira* (Fons

Rademakers), *Camera sutra* (Robbe De Hert), *Louise, een Woord van Liefde* (Collet et Drouot), *Rolande met de bies* (Roland Verhavert), *Malperus* (Harry Kümel), *Het Dwaallicht* (Roland Verhavert), *Verloren Maandag* (Luc Monheim), *Salut en de kost* (Patrick le Bon).

Among the French language productions are: *Les gnomes* (Lucien Deroisy), *Jeu d'on chanta* (Jean-Pierre Berckmans), *La chambre rouge* (Jean-Pierre Berckmans), *Home, sweet home* (Benoît Lamy), *Les livres rouges* (Harry Kümel), *La petite douce* (Claude d'Anna), *Rendez-vous à Bray* (André Delvaux) and *Paix sur les champs* (Jacques Boileau). There are also the full-length cartoons made by the television studios at the rate of one a year.

Documentaries and short feature films, including cartoons, can also qualify for pre-production aid.

In cartoons, the names to look out for are Raoul Servais, who has established a considerable international reputation, Gerlad Frydman, Jean Coignion, and Michel Clarence, whose acerbic, disturbing vision has been known to audiences for many years.

The Belgian documentary school, as it was dubbed by John Grierson in the early 1930s, has a well-established reputation. Henri Storck is the only one of the pioneers still working, apart from a few less well known directors. But there are several young men working in television who manage to slip through an occasional imaginative documentary which expresses a certain committed viewpoint (Pierre Manuel, Jean-Jacques Pêche, Pierre Mertens).

Finally, there is the underground inhabited by Roland Letour, Patrick Heila, Thierry Zeno and many others.

Because of the pusillanimous attitude of cinema-owners to everything other than full-length feature films whose themes or production methods are broadly conventional, it is difficult for other types of films to gain access to a wide audience. Alternative circuits have now been set up in an endeavour to rectify this situation.

Francis Bolen

## Dealing fairly with 700,000 immigrants

by Michael Hornsby

Over the past 10 years or more Belgium like other members of the European Economic Community, has profited substantially from the existence of a large pool of cheap foreign labour. These unassimilated foreign workers, as the introduction to an action programme drawn up by the European Commission last year points out, are called on to bear most of the obligations of the societies in which they live without sharing to anything like the same extent in their privileges and benefits.

Belgium has perhaps a better record than some of its neighbours in the treatment of foreign workers, but the commission's strictures are valid here as elsewhere. According to the most recent estimates, there are some 240,000 foreign workers in Belgium, accounting for about 7 per cent of the country's wage-earning labour force (approximately the same ratio as in Britain).

Belgium accords automatic entry to the immediate dependants of foreigners who have been granted work permits, and if these family members are included the total number of immigrants is probably about 700,000—out of a national population of some 10 million.

The majority of foreign workers in Belgium—about 125,700—are nationals of other EEC countries, with Italians (87,000), French (15,000) and Dutch (13,500) predominating. Some 33,000 workers are from outside the EEC, mainly Spaniards (30,000), Moroccans (16,500), Turks (12,000), Greeks (7,000) and Algerians (3,000).

Belgium thus differs from West Germany, France and Britain, the three biggest European employers of foreign labour, which accommodate much higher percentages of non-EEC immigration—more than 70 per cent in the case of West Germany.

Under the Rome Treaty all citizens of EEC countries are guaranteed the freedom to seek jobs where they wish within the Community, and are protected against discrimination on grounds of nationality with regard to wages, working conditions, social security and the like. That, at any rate, is the theory. In practice, of course, subtle and not so subtle forms of discrimination exist—particularly, for example, in education. But 20 last year on the assurance that they would not face any penalty for their

worker from outside the Community who presents by far the most serious problem.

All non-EEC citizens wishing to work in Belgium must apply for work and residence permits. If accepted, the immigrant is initially issued by the Ministry of Labour with a permit for a specific kind of job with a specific employer. This limitation on job mobility is relaxed somewhat in the second year, but it is only after three and in some cases five years that a foreign worker may apply for an unrestricted work permit. If granted, he may retain it indefinitely.

Officially the issue of permits is governed solely by the Government's assessment of job vacancies, but there are other considerations. Immigration from Belgium's former African colonies has, for example, been kept to a minimum.

Circumvention of the red tape of work and residence permits by means of illegal immigration is an extensive phenomenon throughout the EEC. About 10 per cent of all migrant workers in the Community are thought to have entered illegally, usually moving from country to country. Vulnerable to intimidation and blackmail by unscrupulous employers, and deprived of the social security benefits and trade union rights open to legally registered immigrants, these so-called "clandestine workers" have come to be recognized, if belatedly, as a potentially explosive social problem.

Last August the Belgian Government launched a programme aimed at regularizing the status of some 15,000 to 20,000 illegal immigrants who were then unofficially admitted to be working in Belgium. A ban was simultaneously imposed on the entry of foreign workers, with the exception of certain categories of highly skilled labour and, of course, immigrants from other EEC countries.

The Government described the ban as a temporary measure designed to prevent employers from hiring new immigrant labour illegally while the situation of existing illegal workers was being resolved. The ban, however, is still in force nine months later and seems unlikely to be much relaxed given the current economic recession. Illegal workers were invited by the Government to present themselves to registration centres by August 31st last year on the assurance that they would not face any penalty for their



Belgium claims 126,700 workers from other EEC countries. Here a group of Italian workers relax in a café.

previous period of clandestine residence in Belgium. In that order to qualify for this amnesty, applicants had to be able to furnish convincing proof that they had arrived in the country before April 1.

According to the Ministry of Labour, some 9,000 immigrants took advantage of this offer by the cut-off date, and of these 7,000 have so far been granted work permits. Ministry officials claim that this operation has largely mopped up the pool of illegal immigrant labour, whose size, they say, was always exaggerated.

## Tougher legal measures

Some non-government sources contest this view; they believe that significant numbers of illegal workers failed to take up the amnesty offer. In any case, it is pointed out, the economic attraction of illegally hired labour remains strong for the less scrupulous employer. Fines for employing foreign workers who have not obtained work or residence permits are reasonably low, whereas the employer who plays by the rules is obliged to meet a substantial proportion of the costs of the special security contributions of his employees. The government is only now considering some tougher

measures of the legal measures that can be taken against illegal employment of labour. In essence, foreign workers in Belgium present a problem different only in degree from that found in France and West Germany. There is nothing here to match the notorious Bidonvilles of Paris or Lyons, but the same pattern is evident of a disenfranchised, almost entirely unskilled, (forced) proletariat which is resented by the native population. Concentrated in inadequate housing in the poor quarters of the big towns, they are obliged to accept the menial and dirty jobs rejected by Europeans.

Historically, this situation derives in part from the assumption that foreign workers represented a pure temporary phenomenon. Nearly all of them retain nationality of their native countries and thus not acquire full citizenship in the lands where they work, though they may have been resident for a decade or more.

The European Commission has called for the granting of political rights to migrant workers, but this is clear a distant goal, and so far the only step in this direction has been the creation of a municipal consultative committee where foreign workers have an opportunity to voice their grievances. There are 27 such committees in Belgium.

# UNION MINIERE

(Registered Capital: BF 8,000,000,000)

## 68th Annual General Meeting of Shareholders, 22nd May, 1975

The Annual General Meeting of shareholders of Union Minière S.A. was held in Brussels on the 22nd May, 1975. M. Paul-Emile Corbiaux, Chairman of the Board of Directors acting as Chairman of the Meeting.

## THE FACTS

- Preparation for mining production at the Thierry ore deposit in Canada.
- Participation in the formation of an international consortium for the exploitation of oceanic nodules.
- Setting up of an operational centre in Brazil and formation of two subsidiaries in Mexico.
- Further expansion of investments in the Belgian non-ferrous metals working industry.
- Substantial depreciation in the value of investments and foreign currency holdings, partially compensated for by appropriation from the contingencies reserve.
- Dividend slightly increased.

Extracts from the Directors' Report and the Statement by M. Paul-Emile Corbiaux, Chairman of the Board.

## SUMMARY OF RESULTS: THE FIGURES

Net profit for the financial year 1974: BF 1,204.5 million (against BF 1,431.7 million in 1973).

\* Recommended dividend: BF 950 per whole share or BF 95 per tenth of a share (against BF 900 and BF 90 respectively) in 1973. Important decrease in value of investments and short-term investments (i.e. quoted shares), due to the general economic situation, required to take into account, in the Debit side of the Profit and Loss account, an important depreciation of BF 624.3 million. Along with an increased depreciation in value for foreign currencies (BF 114.7 million) this should have reduced the amount of profit available for appropriation. In order

to better reflect the real situation of the Company i.e. the increase of income from its investments and the high rates of interest enjoyed by its short-term investments, the Board thought that it was justified to make an appropriation of BF 300 million from the Contingencies Reserve in order to propose a dividend of BF 950 per full share (BF 95 per tenth of a share) slightly increased (against last year dividend) and adequately reflecting the evolution of the Company's operations.

\* Balance to be carried forward: BF 10,375,261.

\* Total of the credit of the Profit and Loss Account: BF 6,182.2 (against BF 2,610.3 million in 1973). The important increase of this total is due to the posting here of the total amount of the

final compensation of BF 4,000 million due for the takeover of our former assets in Shaba (Zaire).

In the Balance Sheet, the Assets replacement reserve has been allocated the same amount of BF 4,000 million by debit of the Profit and Loss account. The balance with the compensation already paid at the end of the financial year 1974, regarded as a liquid current asset payable on demand (BF 1,643 million) has been posted under the heading "Debtors".

The decrease in operating results (BF 80.7 million against BF 251.7 million) is mainly due to the reduction in quantities of products sold and to the exceptional character of last year results. The increase in "Interest and sundry receipts" (BF 1,314.8 million against BF 1,173 million) is due to the high rates of interest enjoyed by short-term investments during the year.

On the liabilities side of the Balance Sheet:

\* Transfer to the Assets Replacement Reserve by debiting the Profit and Loss Account of the amount of BF 4,000 million representing the total amount of the final compensation agreed upon with the Republic of Zaire. This reserve amounts now to BF 7,750 million (against BF 3,750 million in 1973).

\* Contingencies reserve: BF 3,824.9 million (against BF 3,924.9 million in 1973). The decrease of BF 100,000,000 is explained as follows:

a) Allocation of 200,000,000 appropriated from the profit for the preceding financial year;

b) Appropriation of BF 300,000,000 for the credit of the Profit and Loss Account during the financial year.

On the assets side of the Balance Sheet:

\* In the fixed Assets: one can note increased investments amounting to BF 5,312.3 million (against BF 4,875.2 million in 1973).

In pursuing the policy of expansion of its interests in the metal working end of the Belgian non-ferrous metals industry, Union Minière has acquired a 15% shareholding in "Câbleries et Corderies du Hainaut" (Câbleries de Dour).

\* In the current Assets: one can note that the stocks of metals have decreased, due to the sale of the balance of the tonnage of metals which we acquired during 1972: BF 697.3 million (against BF 912.2 million in 1973). Increase in short-term investments: BF 3,070.5 million (against BF 2,784.3 million in 1973).

\* Based on prices on May 14th, 1975, the overall market value of quoted shares in these investments exceeded their book value by BF 2,498 million.

Owners' equity and value of the Company With the increase in value of certain of its assets and the final compensation of BF 4,000 million, the intrinsic value of the wealth of the Company can be estimated at more or less BF 22,000 million, i.e. almost BF 2,200 per tenth part of a share.

## DOMINANT FEATURES OF 1974 ACTIVITIES

## ■ Canada - Thierry Project

The Board took the decision to put the deposit into production and to build a concentrator with a treatment capacity of 1,250,000 metric tons of ore per year. Estimated reserves of 12.5 million metric tons of ore with an average grade of 1.73% provide work to the concentrator for at least 10 years. Thierry appears as a relatively modest deposit. But there are serious reasons to believe in higher reserves than those estimated for the main ore body and beside that, our prospectors are studying a near-by deposit with a lower grade of metal but with much higher tonnages that could provide a serious extension to the Thierry project. Spending for facilities and equipment in 1974 represented almost 17 million Canadian dollars. The total investment in Thierry is estimated at 85 million Canadian dollars. Work is being accelerated with the goal of starting production of concentrates during the second half of 1976.

## ■ Ocean floor mining

Our new subsidiary "Union Mines Inc." formed in the U.S.A. in collaboration with Metallurgie Hoboken-Overpelt, has taken a 25% share in the "Ocean Mining Associates" Consortium, formed with the American Company "Penneco Corporation" and its subsidiary "Deepsea Ventures Inc.", "U.S. Steel" and a group of Japanese companies, known as "Jamco". After a period of preliminary in-depth investigations of the technological capabilities of the partners and the contributions that they can make to the enterprise (a period ending 31st August 1975), the partners will be able to take, in full view of the facts, the decision to start the phase of basic technical research for the development of the project. This phase is expected to last for three years. At the end of these studies, it should be possible to evaluate feasibility of the project and to fix the conditions of working oceanic nodules on an industrial scale. It is a vast project of undeniable interest. All the major international mining concerns in the non-ferrous metals sector have shown their awareness and are now, one after another, announcing their participation in similar research groups as ours. There are of course technical, legal and even political problems connected to the working of ocean resources. They are in proportion with the hopes that it provides for the long term future of world reserves in metals. It is fitting that Union Minière provides the

contribution of its know-how and experience to this global effort, with the hope of seeing it develop into fruitful activities.

■ Mining and geological activities in the world Details on activities of the Company in Canada, Australia, Spain, Belgium, Mexico and Brazil are available in the annual report recently published.

## ■ Payment of final compensation by Zaire

On December 31st, 1974, of the final compensation of BF 4,000 million agreed upon at the Munich and Kinshasa talks in early 1974, BF 2,358 million had been paid (i.e. ± 60%). Payments continued regularly in 1975 but in a more spread out manner. It has been necessary to take into account the impact of the fall of the copper price on the foreign exchange receipts of the Zairian State.

At the date of the General Meeting, a total amount corresponding to 71% of the compensation due had been paid.

## ■ Outlook for the future

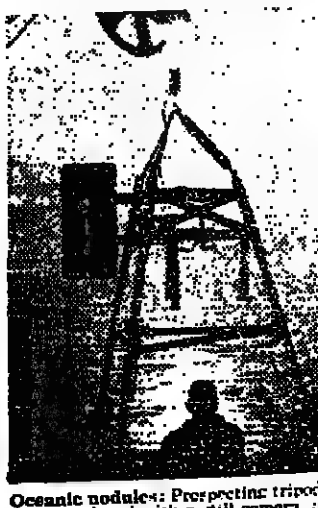
The President P. E. Corbiaux concluded his statement at the General Assembly as follows: "In the present circumstances, it is very hazardous, if not impossible, to attempt to predict, even in the broadest outline, what lies in store for us, even in the short-term. Our Company is adequately equipped with the human, financial, and technical resources to face up to the difficulties of the business climate and the vicissitudes of the economic situation. By looking beyond these immediate cares, I can assure you that Union Minière is working unrelentingly to build the foundations for a promising future, and we would like you to share the Board's confidence in this matter."

Appointed banks: for the payment of the 1976 dividend on or after 10th June, 1976 net dividend of BF 950 per whole share (or BF 95 per tenth part of share). The dividend of BF 950 net corresponds to a taxable receipt of BF 1,615. The difference of BF 665 represents the withholding tax of BF 237.50 and the tax credit of BF 427.50. The payment will be made by cheque or by bank transfer in the case of registered shares, and against coupon no 38 at the appointed banks in Belgium, the Grand-Duchy of Luxembourg, France and the Netherlands.

In the other countries, it is suggested to the shareholders that they contact their own bankers.

Copies of the 1974 Annual Report (in English, French, Dutch, Spanish or Portuguese) can be obtained on request from:

UNION MINIERE S.A. Public Relations Department, Rue de la Chancellerie 1, B-1000 Brussels - Belgium. Tel: (010) 32 2126090. Telex 21557.



Oceanic nodules: Prospecting tripod being equipped with a still camera, a TV camera, and a small dredging scoop.



Canada - Union - Thierry deposit: General view of the mine site, the shaft and the surface installation. The foundations of the future concentrator can be seen to the left of service complex construction site, in foreground.









## COURT CIRCULAR

## BUCKINGHAM PALACE

May 29: His Excellency Sheikh Sultan bin Daj Al-Khalifa and Shaikha Hajia Sultan Al-Khalifa were received in farewell audience by the Queen this morning and took leave upon His Excellency relinquishing his appointment as Ambassador Extraordinary and Plenipotentiary from the State of Bahrain to the Court of St. James's.

Mr. A. A. Acland was received in audience by Her Majesty and kissed hands upon his appointment as Her Majesty's Ambassador Extraordinary and Plenipotentiary at Luxembourg.

Mrs. Acland had the honour of being received by the Queen.

Mr. D. F. Duncan (Her Majesty's Ambassador Extraordinary and Plenipotentiary at Managua) had the honour of being received by the Queen.

The Duke of Edinburgh, as Patron and Trustee, accompanied by Sir Alex. Alder Smith (Trustee), Mr. A. J. G. Gordon (Trustee), Mr. Gordon-Spencer and Commander David Cobb, RN (Assistant Secretary), today toured Salop, Shropshire, in connection with the Duke of Edinburgh's Award.

Commander William Willett, RN, was in attendance.

CLARENCE HOUSE  
May 29: Queen Elizabeth The Queen Mother today visited Alderney and Sark.

Her Majesty travelled in an aircraft of The Queen's Flight.

KENSINGTON PALACE  
May 29: The Princess Margaret, Countess of Snowdon today visited the Army Apprentices College at Chetwode, Gwent.

Her Royal Highness, who travelled in an aircraft of The Queen's Flight, was attended by the Hon. Mrs. W. L. and The Lord Napier and Ettrah.

THATCHED HOUSE LODGE  
May 29: Princess Alexandra was present at the Rededication Ceremony of HMS Devonshire which was held this morning at Portsmouth Dockyard.

The Lady Mary Fyfe-Howard was in attendance.

The annual dinner of The Life Guards Club will take place at the Savoy Hotel on Monday, June 9.

Mr. and Mrs. David Maitland-Silvester wish to be known in future as Mr. and Mrs. David Silvester Maitland.

The first anniversary Mass and the dedication of a memorial tablet to Father B. C. Gurnin, SJ, will take place at 6.30 on Friday, June 6, at the Church of Our Most Holy Redeemer, Chesham Row, SW3. All friends are welcome.

## Forthcoming marriages

Mr. V. M. Baird and Miss M. E. J. Frank  
The engagement is announced between Mr. V. M. Baird, second son of Mr. and Mrs. A. Baird, of Bainton, Wiltshire, and Miss M. E. J. Frank, daughter of Mr. and Mrs. R. Frank, of Bainton, Wiltshire.

Mr. H. R. Angus and Miss A. R. Hall  
The engagement is announced between Mr. H. R. Angus, younger son of Mr. and Mrs. E. L. Angus, of 299 Layton Court, London, W6, and Miss A. R. Hall, daughter of Mr. E. A. Hall, of 14 Rosfield Avenue, Halesowen, Worcestershire.

Mr. A. A. Acland was received in audience by Her Majesty and kissed hands upon his appointment as Her Majesty's Ambassador Extraordinary and Plenipotentiary at Managua.

Mr. D. F. Duncan (Her Majesty's Ambassador Extraordinary and Plenipotentiary at Managua) had the honour of being received by the Queen.

The Duke of Edinburgh, as Patron and Trustee, accompanied by Sir Alex. Alder Smith (Trustee), Mr. A. J. G. Gordon (Trustee), Mr. Gordon-Spencer and Commander David Cobb, RN (Assistant Secretary), today toured Salop, Shropshire, in connection with the Duke of Edinburgh's Award.

Commander William Willett, RN, was in attendance.

CLARENCE HOUSE  
May 29: Queen Elizabeth The Queen Mother today visited Alderney and Sark.

Her Majesty travelled in an aircraft of The Queen's Flight.

KENSINGTON PALACE  
May 29: The Princess Margaret, Countess of Snowdon today visited the Army Apprentices College at Chetwode, Gwent.

Her Royal Highness, who travelled in an aircraft of The Queen's Flight, was attended by the Hon. Mrs. W. L. and The Lord Napier and Ettrah.

THATCHED HOUSE LODGE  
May 29: Princess Alexandra was present at the Rededication Ceremony of HMS Devonshire which was held this morning at Portsmouth Dockyard.

The Lady Mary Fyfe-Howard was in attendance.

The annual dinner of The Life Guards Club will take place at the Savoy Hotel on Monday, June 9.

Mr. and Mrs. David Maitland-Silvester wish to be known in future as Mr. and Mrs. David Silvester Maitland.

The first anniversary Mass and the dedication of a memorial tablet to Father B. C. Gurnin, SJ, will take place at 6.30 on Friday, June 6, at the Church of Our Most Holy Redeemer, Chesham Row, SW3. All friends are welcome.

Mr. J. R. F. Bryers and Miss E. R. Hinchliffe  
The engagement is announced between Mr. J. R. F. Bryers, son of Brigadier R. E. Bryers, of 222, late Mrs. P. Bryers, of Thornton Old Rectory, Evesham, and Miss E. R. Hinchliffe, daughter of Mr. and Mrs. R. Hinchliffe, of Melton Mead, Woodbridge, Suffolk.

Mr. A. Brummer and Miss P. L. Magill  
The engagement is announced between Mr. A. Brummer, son of Mr. and Mrs. Michael Brummer, of 104 Holland Road, Bore, Sussex, and Miss P. L. Magill, daughter of Mr. and Mrs. S. L. Magill, of Fenwood, Hollybush Road, Cyncoed, Cardiff.

Mr. D. R. C. Kerr and Miss A. M. Lovegreen  
The engagement is announced between Mr. D. R. C. Kerr, son of Mr. and Mrs. D. A. Kerr, of Whitehead, Octavia Terrace, Greenock, and Miss A. M. Lovegreen, daughter of Mr. and Mrs. T. Lovegreen, of 4, Church Lane, Wallingford, Oxfordshire.

Dr. G. M. Mason and Dr. A. M. L. Marquis  
The engagement is announced between Dr. G. M. Mason, son of Mr. and Mrs. D. A. Mason, of 104, and Dr. A. M. L. Marquis, daughter of Mr. and Mrs. T. Marquis, of Leadburn House, West Linton, Peeblesshire.

Mr. M. A. Smart and Miss E. Hughes  
The engagement is announced between Mr. M. A. Smart, son of Mr. and Mrs. M. A. Smart, of 104, and Miss E. Hughes, daughter of Mr. and Mrs. T. Hughes, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. J. R. F. Bryers and Miss E. R. Hinchliffe  
The engagement is announced between Mr. J. R. F. Bryers, son of Brigadier R. E. Bryers, of 222, late Mrs. P. Bryers, of Thornton Old Rectory, Evesham, and Miss E. R. Hinchliffe, daughter of Mr. and Mrs. R. Hinchliffe, of Melton Mead, Woodbridge, Suffolk.

Mr. A. Brummer and Miss P. L. Magill  
The engagement is announced between Mr. A. Brummer, son of Mr. and Mrs. Michael Brummer, of 104, and Miss P. L. Magill, daughter of Mr. and Mrs. S. L. Magill, of Fenwood, Hollybush Road, Cyncoed, Cardiff.

Mr. D. R. C. Kerr and Miss A. M. Lovegreen  
The engagement is announced between Mr. D. R. C. Kerr, son of Mr. and Mrs. D. A. Kerr, of Whitehead, Octavia Terrace, Greenock, and Miss A. M. Lovegreen, daughter of Mr. and Mrs. T. Lovegreen, of 4, Church Lane, Wallingford, Oxfordshire.

Dr. G. M. Mason and Dr. A. M. L. Marquis  
The engagement is announced between Dr. G. M. Mason, son of Mr. and Mrs. D. A. Mason, of 104, and Dr. A. M. L. Marquis, daughter of Mr. and Mrs. T. Marquis, of Leadburn House, West Linton, Peeblesshire.

Mr. M. A. Smart and Miss E. Hughes  
The engagement is announced between Mr. M. A. Smart, son of Mr. and Mrs. M. A. Smart, of 104, and Miss E. Hughes, daughter of Mr. and Mrs. T. Hughes, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

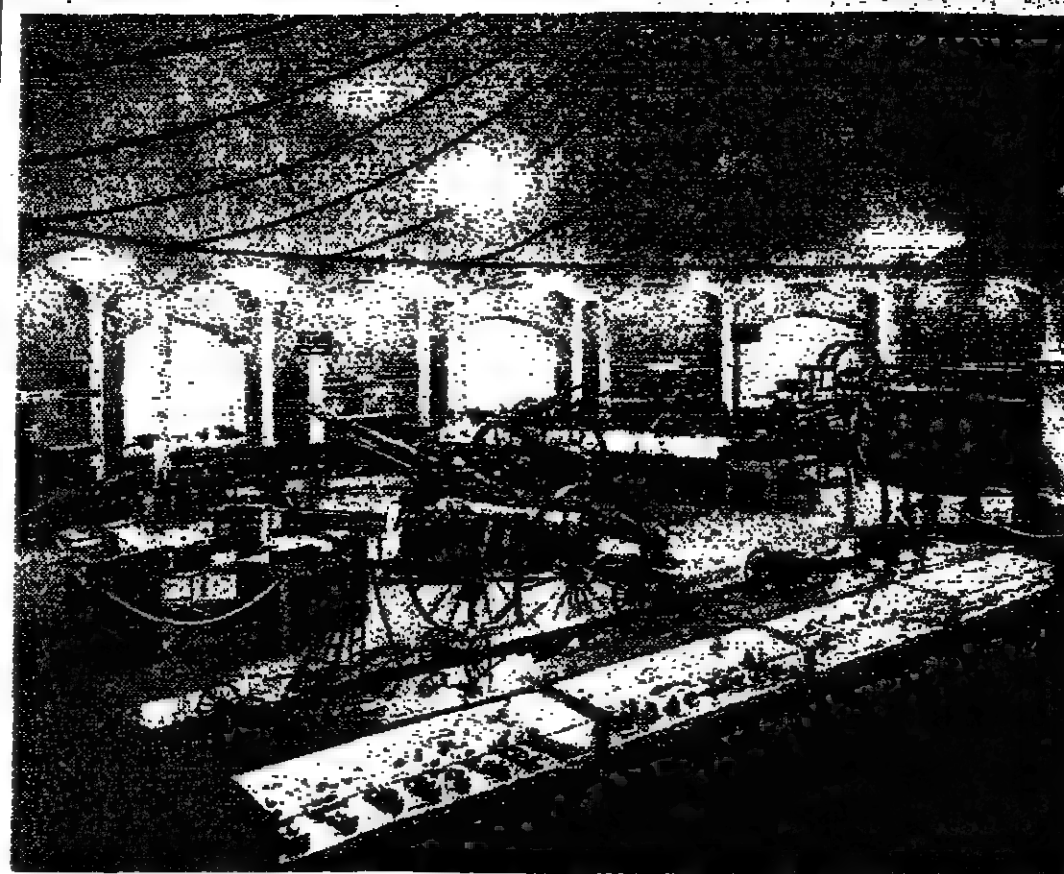
Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.

Mr. M. S. Thompson and Miss J. D. Horn  
The engagement is announced between Mr. M. S. Thompson, son of Mr. and Mrs. W. S. Thompson, of 104, and Miss J. D. Horn, daughter of Mr. and Mrs. T. Horn, of 104, of Haversham, Kippington, Sevenoaks.



The Rotunda Museum in Woolwich, which houses the Museum of Artillery. It will reopen on Sunday after extensive renovations.

## Uneven demand at Christie's for carved 'blackamoor' tobacco figures

By Geraldine Norman  
Sole Room Correspondent  
Christie's had an unusual collection on offer yesterday, the carved wooden tobacco figures collected by the late Sir Charles G. Shaw. From the early seventeenth century carved 'blackamoor' figures were placed inside tobacco boxes to indicate the owner's status. The figures were carved from ebony and were often found in pairs, one for each hand. The collection included a pair of figures, one of which was a blackamoor holding a pipe, and the other a blackamoor holding a bowl. The figures were carved in the style of the early seventeenth century, and were found in a collection of about 50 of these figures, dating mainly from the eighteenth century.

They came under the hammer at Christie's yesterday. Demand was a trifle uneven, the best attracting strong bids, but the less interesting examples making rather disappointing prices. A pair of black boys with tobacco leaf heads and dresses and skirts with arrow-filled quivers at their shoulders, dating from about 1710 went to Villagers for £1,312.50.

The next highest price was £509, paid for a single black boy, a pinch of snuff and a tobacco leaf. The most enthusiastic buyer, Doreen paid £588 for a bearded Highlander holding a pinch of snuff, of about 1780, and £225 for a pair of figures, Highland soldiers of 1740 or so. Rothmans paid £157.50 for a black boy with a roll of tobacco under his arm. The whole collection realised £14,183.

At Sotheby's Belgrave Road, wood wares of the nineteenth and twentieth centuries were for sale, following up the two Wedgwood sales at Sotheby's and Christie's on Tuesday. It has all been crammed into the same week, and the American Wedgwood collectors are in London. A fairland lustre bowl, one of the rare pieces actually signed by Daisy Mayne-Jones, was bid to £250 (estimate £200 to £250). A group of three medallions of Edward VIII, George VI and the

Duchess of York dating from 1937 made £110 (estimate £120 to £240). A pair of black basalt plaques applied with a white relief of Hercules' Choice made £350 (estimate £300 to £600) and another with a portrait of a man, the seasons made £330 (estimate £230 to £500).

The cult for the work of Emilie Lessore was underlined when a watercolour of the 'Adoration of the Shepherds' made £480 (estimate £150 to £200); it is a design which was used on Wedgwood plaques. There were also a pair of cups and covers decorated with Emilie Lessore's rural scenes at £330 (estimate £100 to £200). The watercolour was thought to date from about 1875 and the cups from 1869.

A silver sale at Sotheby's Bond Street included a set of 12 French dinner plates of 1820 (1870s) at £1,700 (estimate £1,500 to £1,800). In a sale of Old Master drawings, a gouache by Jacob Philippe Hackert of a river landscape made £680 (estimate £180 to £220).

It was Tudor Edwards and later Sir Clement Price Thomas and their surgical colleagues at the Bromley Hospital who pioneered fung surgery in this country, and the excellent results now obtained with such operations are largely due to their efforts. To achieve such excellent results they were dependent to a large extent upon the clinical skills of their physician colleagues including Dr Lloyd.

Dr Lloyd was a skilled general physician as well as a chest physician, he had also a sympathetic understanding of the Rev E. W. F. Deacon.

It was Tudor Edwards and later Sir Clement Price Thomas and their surgical colleagues at the Bromley Hospital who pioneered fung surgery in this country, and the excellent results now obtained with such operations are largely due to their efforts. To achieve such excellent results they were dependent to a large extent upon the clinical skills of their physician colleagues including Dr Lloyd.

Dr Lloyd was a skilled general physician as well as a chest physician, he had also a sympathetic understanding of the Rev E. W. F. Deacon.

It was Tudor Edwards and later Sir Clement Price Thomas and their surgical colleagues at the Bromley Hospital who pioneered fung surgery in this country, and the excellent results now obtained with such operations are largely due to their efforts. To achieve such excellent results they were dependent to a large extent upon the clinical skills of their physician colleagues including Dr Lloyd.

Dr Lloyd was a skilled general physician as well as a chest physician, he had also a sympathetic understanding of the Rev E. W. F. Deacon.

It was Tudor Edwards and later Sir Clement Price Thomas and their surgical colleagues at the Bromley Hospital who pioneered fung surgery in this country, and the excellent results now obtained with such operations are largely due to their efforts. To achieve such excellent results they were dependent to a large extent upon the clinical skills of their physician colleagues including Dr Lloyd.

Dr Lloyd was a skilled general physician as well as a chest physician, he had also a sympathetic understanding of the Rev E. W. F. Deacon.

It was Tudor Edwards and later Sir Clement Price Thomas and their surgical colleagues at the Bromley Hospital who pioneered fung surgery in this country, and the excellent results now obtained with such operations are largely due to their efforts. To achieve such excellent results they were dependent to a large extent upon the clinical skills of their physician colleagues including Dr Lloyd.

Dr Lloyd was a skilled general physician as well as a chest physician, he had also a sympathetic understanding of the Rev E. W. F. Deacon.

It was Tudor Edwards and later Sir Clement Price Thomas and their surgical colleagues at the Bromley Hospital who pioneered fung surgery in this country, and the excellent results now obtained with such operations are largely due to their efforts. To achieve such excellent results they were dependent to a large extent upon the clinical skills of their physician colleagues including Dr Lloyd.

Dr Lloyd was a skilled general physician as well as a chest physician, he had also a sympathetic understanding of the Rev E. W. F. Deacon.

It was Tudor Edwards and later Sir Clement Price Thomas and their surgical colleagues at the Bromley Hospital who pioneered fung surgery in this country, and the excellent results now obtained with such operations are largely due to their efforts. To achieve such excellent results they were dependent to a large extent upon the clinical skills of their physician colleagues including Dr Lloyd.

Dr Lloyd was a skilled general physician as well as a chest physician, he had also a sympathetic understanding of the Rev E. W. F. Deacon.

It was Tudor Edwards and later Sir Clement Price Thomas and their surgical colleagues at the Bromley Hospital who pioneered fung surgery in this country, and the excellent results now obtained with such operations are largely due to their efforts. To achieve such excellent results they were dependent to a large extent upon the clinical skills of their physician colleagues including Dr Lloyd.

Dr Lloyd was a skilled general physician as well as a chest physician, he had also a sympathetic understanding of the Rev E. W. F. Deacon.

It was Tudor Edwards and later Sir Clement Price Thomas and their surgical colleagues at the Bromley Hospital who pioneered fung surgery in this country, and the excellent results now obtained with such operations are largely due to their efforts. To achieve such excellent results they were dependent to a large extent upon the clinical skills of their physician colleagues including Dr Lloyd.

Dr Lloyd was a skilled general physician as well as a chest physician, he had also a sympathetic understanding of the Rev E. W. F. Deacon.

It was Tudor Edwards and later Sir Clement Price Thomas and their surgical colleagues at the Bromley Hospital who pioneered fung surgery in this country, and the excellent results now obtained with such operations are largely due to their efforts. To achieve such excellent results they were dependent to a large extent upon the clinical skills of their physician colleagues including Dr Lloyd.

Dr Lloyd was a skilled general physician as well as a chest physician, he had also a sympathetic understanding of the Rev



# THE TIMES

## BUSINESS NEWS

Statement:  
sing  
DO analysis,  
19

### British warning to pan in alifying pledge imports

By David Blake  
Mr. Peter Shore, the Secretary of State for Trade, has warned that the British Government will not be able to keep its promise to reduce imports unless the rest of the world does the same. He said that the British Government was not alone in facing the problem of a world-wide recession, but that it was the only one which had made a formal pledge to reduce imports.

Mr. Shore said that the British Government was not alone in facing the problem of a world-wide recession, but that it was the only one which had made a formal pledge to reduce imports. He said that the British Government was not alone in facing the problem of a world-wide recession, but that it was the only one which had made a formal pledge to reduce imports.

Mr. Shore said that the British Government was not alone in facing the problem of a world-wide recession, but that it was the only one which had made a formal pledge to reduce imports. He said that the British Government was not alone in facing the problem of a world-wide recession, but that it was the only one which had made a formal pledge to reduce imports.

Mr. Shore said that the British Government was not alone in facing the problem of a world-wide recession, but that it was the only one which had made a formal pledge to reduce imports. He said that the British Government was not alone in facing the problem of a world-wide recession, but that it was the only one which had made a formal pledge to reduce imports.

Mr. Shore said that the British Government was not alone in facing the problem of a world-wide recession, but that it was the only one which had made a formal pledge to reduce imports. He said that the British Government was not alone in facing the problem of a world-wide recession, but that it was the only one which had made a formal pledge to reduce imports.

Mr. Shore said that the British Government was not alone in facing the problem of a world-wide recession, but that it was the only one which had made a formal pledge to reduce imports. He said that the British Government was not alone in facing the problem of a world-wide recession, but that it was the only one which had made a formal pledge to reduce imports.

Mr. Shore said that the British Government was not alone in facing the problem of a world-wide recession, but that it was the only one which had made a formal pledge to reduce imports. He said that the British Government was not alone in facing the problem of a world-wide recession, but that it was the only one which had made a formal pledge to reduce imports.

Mr. Shore said that the British Government was not alone in facing the problem of a world-wide recession, but that it was the only one which had made a formal pledge to reduce imports. He said that the British Government was not alone in facing the problem of a world-wide recession, but that it was the only one which had made a formal pledge to reduce imports.

Mr. Shore said that the British Government was not alone in facing the problem of a world-wide recession, but that it was the only one which had made a formal pledge to reduce imports. He said that the British Government was not alone in facing the problem of a world-wide recession, but that it was the only one which had made a formal pledge to reduce imports.

### Best rise yet for US business index

From Fred Emery  
Washington, May 29  
America's sensitive index of 12 leading business indicators, chosen by the Government, rose by 4.2 per cent in April—a record for the second consecutive month.

Officials cautioned against euphoric analysis based on such a short period, but even so they were buoyant, saying that the worst of the recession was past.

The size and breadth of the increase—in 11 of 12 indicators—was encouraging and consistent with other evidence suggesting the recession has reached bottom, said Mr. James Pate, Assistant Commerce Secretary for Economic Affairs.

Using a revised formula to discount the effects of inflation, the index rose 4.2 per cent to 95.3 (1967 equals 100).

A revised figure showed a 1 per cent increase in March. The only negative indicator was in money supply, which fell \$200m (about \$86.5m) to \$180.900m (in 1967 terms).

This should also soon be reversed upwards, according to Mr. Arthur Burns, chairman of the Federal Reserve Board. He said at the weekend, in speaking of the "turning zone" reached by the economy, that money supply, while remaining "moderate", would continue to be increased.

The most impressive jump was in the building industry, which has been seriously depressed. Building permits for homes and apartments jumped to 77.3 from 60.8 in the March index. This was the largest single contributor to the composite index increase.

Data for the outstanding indicator—stocks in hand and on order—will not be available for another month.

Most commentators make the point that the composite index has often been one of the most sensitive in predicting movements. Another month or two of the same trend would bring nearly general agreement that the recession had been reversed.

Business letters, page 19  
Financial Editor, page 19

### Protest stirs at Coats Patons decision to pass a final dividend

By Margaret Drummond  
Leading financial institutions and pension funds are likely to make formal representations to the Glasgow-based textile manufacturer over yesterday's announcement that the group has decided not to pay its final dividend.

The disclosure, coming with the release of the group's annual profit figures showing a fall from £51.4m to £44.5m in pre-tax profits, said that it was offering shareholders a one-for-25 bonus scrip issue instead.

This caused confusion in the stock market, where there was a temporary halt to dealings and the shares fell by some 15 per cent at one point before recovering to 48 1/2p, down 7p on the day.

In its preliminary statement to shareholders the Coats board emphasised that there is no cash crisis. The move had been made because of a £37m rise in working capital requirements due to the high rate of inflation last year which saw the group's entire cash flow as well as the corporation tax penalties of distributing its high proportion of overseas earnings in the form of United Kingdom dividends.

Mr. Moody, joint investment manager of the Prudential, which is one of the institutions with a shareholding in Coats, said that an "impossible situation" would develop if a number of companies followed Coats's example.

Shareholders, and particularly the pension funds, needed steady cash income and attempts to offload the bonus issue in the stock market could have serious consequences for the level of share prices.

Although Coats's bonus issue will escape the new tax regulations on scrip dividends introduced in the last Budget, Mr. Moody expressed fears that a number of such moves could attract a further reaction from the authorities.

Mr. Bob Wilson, chairman of the Investment Protection Committee of the National Association of Pension Funds, said that it was a "nice face" of a regrettable step for a company to take.

The Investment Protection Committee had already received angry protests from a number of pension fund managers and the group was now discussing the matter with the company.

On the stock market there was an unusually large turnover in the group's shares with large buyers coming in on hopes that the scrip issue would obtain restoration of the dividend.

### Thorn will fight to keep drill group in UK hands

By Our Financial Staff  
Thorn Electrical declared last night that if the Government's monopoly authorities allow the Swedish firm, SKF, to go ahead with its £10.4m bid for Sheffield Twist Drill, Thorn will counter bid.

Mr. John Methren, Director General of Fair Trading, is presented with a big dilemma. For Thorn, which owns another large slice of the British small engineering industry through its subsidiary, International subsidiary, argues that such an important company as Sheffield Twist should not be allowed to fall into foreign hands.

Aktiöbolaget Svenska Kullagerfabriken (SKF), a main producer of bearings, launched its cash offer for Sheffield Twist earlier this month, and the terms of 77.5p a share were agreed by the British company's board.

Official offer documents came out a few days ago and the offer is due to close on June 12. In support of its bid SKF has bought Sheffield Twist shares in the market and now owns 10 per cent of its equity.

Thorn made no approach to Sheffield Twist or its advisers, Lazard, prior to its announcement last night.

### Government faces new clash over 'McKinsey study of car industry'

By Edward Townsend  
A further clash between the Government and the Left Wing of the Labour Party may occur following a decision to employ McKinsey and Co, the American business consultants, to conduct a study of the British motor industry. According to the latest issue of Labour Weekly, the party's official newspaper, McKinsey has been hired for a fee of £160,000 by the Central Policy Review Staff, the Government's "think tank", as part of its in-depth investigation of the industry and its importance to the economy.

But the paper says there are now fears that the investigation may result in recommendations for cutting back the proposals of the Ryder report on British Leyland.

There is a strong justification, says Labour Weekly, for an overall look at the motor industry which will produce authoritative conclusions upon which suppliers can plan. It adds: "The doubt is whether McKinsey will produce such a report."

Further criticism could be levelled at the CPRS for its alleged failure to consult interested parties such as the Department of Industry, the Society of Motor Manufacturers and Traders and the trade unions. The disquiet surrounding the McKinsey appointment apparently stems from some of the controversial previous reports which suggest to critics that it might recommend manpower cuts in the car industry.

McKinsey has been appointed by past governments to report on the BBC, British Rail and the Bank of England. Some controversy arose in 1965 when Mr. Wedgwood Benn, then Postmaster-General, hired the company to study the Post Office.

The Ryder report has come under fire for being over-optimistic about future growth in the European car market, but the SMMT, which came out with its forecasts yesterday, sees a market for more than 500,000 British cars and 8,000 goods vehicles a year in Europe by 1985.

The figures, produced by the SMMT in support of its pro-EEC view, show that the total value of all motor exports to the EEC could rise to about £1,400m by 1985 compared with the £490m achieved last year.

In its latest report on the implications of Britain leaving the EEC, the society says that there would be a significant loss of jobs and investment plans would be put at risk and many companies would have to set up self-sufficient plants in EEC countries to retain components' business.

Business letters, page 19  
Financial Editor, page 19

### NEDO report calls for tax reforms to help channel business funds

By Anthony Rowley  
A major report suggesting how British industrial investment can be encouraged by tax reforms is published today by the National Economic Development Office.

In effect it rejects the need for further government intervention in stimulating industrial investment and instead calls for some fundamental taxation and other reforms to divert a larger proportion of savings into industry through existing institutions.

The report—Finance for Investment—which is the result of a year's work by NEDO, has been welcomed in Government, including the Chancellor of the Exchequer personally, in Whitehall and in the City, Sir Ronald McIntosh, the director general of NEDO, said yesterday.

Apart from the Bank of England and the Stock Exchange, various financial institutions, such as insurance companies and pension funds, have welcomed the document as a focus for bringing together the City and industry and hopes to see the question of industrial investment, he said.

NEDO's report provides the starting point for the "setting up of permanent machinery to keep under review problems connected with investment in manufacturing industry and its financing", Sir Ronald says in a foreword to the document.

This machinery will take the form of a new committee under the aegis of the National Economic Development Council and probably with a permanent secretariat supplied jointly by the NEDO and the Bank of England. Its members will include senior officials from Government, manufacturing industry, the trades unions and financial institutions.

Sir Ronald McIntosh is currently having a series of meetings in the City and elsewhere to finalise details of the report and hopes to see the committee set up by next month, he said yesterday.

### £12m surplus last year for state docks

By Michael Bailly  
Despite adverse conditions last year, the British Transport Docks Board, taking in Hull, Southampton and South Wales ports, made a record surplus of £12.1m.

This "gratifying" result was achieved by close attention to costs and by increasing the board's share of a smaller national cake, Sir Humphrey Browne, the chairman, said yesterday. Traffic handled by the state-owned board's 19 ports at 85 million tonnes was 5 million tonnes down on 1973, but this was more than accounted for by the drop in oil imports of about 5.5 million tonnes. Non-oil cargo through BTDB ports rose by about 500,000 tonnes.

Prospects for this year were not good with ports so heavily dependent on volume and manpower costs. Sir Humphrey said, but fortunately the BTDB did not suffer from serious over-manning like some other ports. Labour costs could be reduced by cutting out certain local practices and unnecessary overtime and talks were going on with the unions over this.

The net surplus was £1.5m compared with £3.3m in 1973 but this was after setting aside £3m for inflation-based depreciation linked to the retail price index—the only public sector concern to do this, Sir Humphrey said.

After several complaints about the lack of a final dividend, Lord Aldington said there was no dividend because of the problems it had been necessary to make.

No direct mention was made of the move by First National Citybank to increase its holding in Grindlays Bank.

But Lord Aldington did say: "We are in the process of making arrangements in the bank to see that they have the capital which will form a correct base for the kind of operations they should be rapidly doing."

### Courtaulds' warning on recession

By Our Financial Staff  
An increase of 8 per cent to £125.7m in pre-tax profits at Courtaulds for the year to March 31—against a "maximum permitted" rise in the dividend payment—was well received, where the shares gained 11p to 140p.

But the board gave a warning that a recession in textiles in the final months of 1974 had been cushioned only by the existence of substantial export contracts entered into in the year-end and that the group's trading results for the first half of the current year are suffering from an "acute recession" in world textile business as well as a "sharp downturn" in the group's packaging operations.

Profits from fibre manufacturing and fibre-using activities in the United Kingdom were appreciably lower in 1974 than in the preceding year, but the profits benefited from overseas textiles and fibre operations, as well as from investments.

The directors ended their statement by saying that they were confident that the severe, but temporary, recession in the group is exceptionally strong in its own fields of activities and will benefit correspondingly when trade returns to normal levels. Meanwhile, adequate liquidity is assured.

Business letters, page 19  
Financial Editor, page 19

### Sharp rise expected in public service jobs

By Tim Congdon  
Substantial increases in employment in education, the health services and public administration are predicted in an article in today's Department of Employment Gazette. By 1981 1,910,000 people will be employed in education, more than 500,000 above the level in 1971. Public administration will account for just over 2,000,000 people, about a quarter of a million more than in 1971.

These forecasts, which are likely to renew public discussion of "de-industrialization", the process described by Mr. Anthony Wedgwood Benn, the Secretary of State for Industry, whereby a smaller proportion of the occupied population comes to be employed in manufacturing industry, are based on work carried out by a number of economists on the Cambridge Growth Project.

This work has been complemented by detailed projections for specific industries provided by the Economic Development Council or "Little Wedges", and the National Economic Development Office.

Leading article, page 15  
Financial Editor, page 19

### BP income slumps in first quarter

By Our Financial Staff  
Net income of British Petroleum slumped in the first quarter of 1975 from £290m to £42.2m although the corresponding figures did benefit from an estimated £175m of stock profits following the escalation in oil prices at the end of 1973.

The figures were, however, much in line with both market estimates and what Sir Eric Drake, the BP chairman, told shareholders at the annual meeting at the beginning of May.

Then he had pointed to weakening oil prices in Europe and to the fall in refinery output to only 60 per cent of capacity due to a 14 per cent drop in volume sales during the first three months of this year.

Sales of crude oil fell from 27.2m tons to 22.5m tons while those of products and chemicals eased from 24.9m to 21.8m tons. Due to the higher oil prices, net sales revenue increased from £1,775m to £1,842m but costs did not suffer from serious over-manning like some other ports. Labour costs could be reduced by cutting out certain local practices and unnecessary overtime and talks were going on with the unions over this.

Financial Editor, page 19

### How the markets moved

FT index: 348.5 +1.9  
The Times index: 143.75 -0.40

Rises	Falls
Bechtel 3p to 30 1/2p	Barclays Bank 3p to 28 1/2p
Courtaulds 11p to 140p	Bech 2p to 25 1/2p
Dunlop 3p to 48p	Brit Am Tob 3p to 32 1/2p
Fisons 3p to 38 1/2p	Coats Patons 7p to 48 1/2p
GKN 1p to 25 1/2p	EMI 10p to 158p
Imp Chem Ind 3p to 28 1/2p	Harrolds 10p to 41 1/2p
Int Alloys 20p to 50 1/2p	Land Secs 3p to 12 1/2p
Midland W 21p to 32 1/2p	Midwest Whites 2p to 16p
Shell 10p to 31 1/2p	Sheffield Twist 3p to 73p
Union Carb 5p to 58 1/2p	Unicorp 3p to 18 1/2p
Vesta Corp 10p to 28 1/2p	Vickers 1p to 13 1/2p

### THE POUND

Bank	Bank
buy	sell
Australia 5s 1.75	1.73
Austria 5s 39.75	37.75
Belgium Fr 83.25	82.50
Canada \$ 1.42	1.37
Denmark Kr 12.85	12.45
Finland Mk 8.35	8.10
France Fr 6.55	6.15
Germany DM 5.25	5.00
Greece Dr 69.25	67.00
Hong Kong \$ 11.40	11.05
India L 1465.00	1415.00
Japan Yen 700.00	675.00
Netherlands G 5.20	5.00
Norway Kr 11.70	11.35
Portugal Esc 56.50	54.50
S Africa Rd 1.95	1.85
Sweden Kr 121.75	120.75
Switzerland Fr 5.90	5.70
US \$ 2.26	2.21
Yugoslavia Dn 38.75	36.75

Business appointments:  
11.12 The Beauford Group  
12.12 Board  
13.12 Cater Ryder & Company  
14.12 Richard Costain  
15.12 Dale Electric  
16.12 Farnell Electronics  
17.12 Harrods Investment Trust  
18.12 Home Cinema

Company Meeting Reports:  
20 The Beauford Group  
21 Board  
21 Cater Ryder & Company  
22 Richard Costain  
22 Dale Electric  
23 Farnell Electronics  
24 Harrods Investment Trust  
25 Home Cinema

### FARNELL ELECTRONICS LTD.

The Annual General Meeting was held in Leeds on Thursday, 29th May, 1975.

The following are extracts from the Report and Accounts which were adopted by the Meeting and from the Circulated Statement of the Chairman, Mr. Alan G. Farnell.

We have continued to make progress during the year... stock received special attention, debtors came under tighter control... beneficial results have been achieved and we have been able to move forward into the current year in a stronger position... we have confidence in our ability to produce a good performance sheet for the current financial year.

	1974/75	1973/74
Turnover	£13,414,829	£12,023,077
Profit before Taxation	£1,381,333	£1,285,211
Profit after Taxation	£725,011	£644,737
Dividend	£158,916	£148,345
Reserves Retained by Group	£566,095	£496,392
Dividend per Share	2.25p	2.25p
Dividend covered	4.13 times	4.26 times
Net Assets	£4,569,359	£4,112,078

Summary set out below records the Group's performance over the past seven years:

THE FARNELL ELECTRONICS GROUP OF COMPANIES  
Manufacturers of high quality electronic instruments  
Specialist distributors of electronic components, audio products,  
language laboratories to manufacturing industries, research  
and development establishments, and to education.  
Contributors of radios, record-players, tape recorders, television,  
service components, and accessories.

## Mothercare

everything for the mother-to-be and her baby...  
and children under five

### FINAL RESULTS

(52 weeks to 29th March, 1975)

	1975	1974
£'000	£'000	£'000
Sales (excluding Value Added Tax)		
UK	45,550	35,445
Overseas	4,823	4,146
	50,373	39,591
Trading Profit Before Tax		
UK	7,063	6,241
Overseas	366	476
	7,429	6,717
Surplus on Disposal of Properties	20	253
Profit Before Tax	7,449	6,970
Tax		
UK	3,720	3,458
Overseas	226	203
	3,956	3,661
Profit After Tax	3,493	3,309
Earnings per Share	10.86p	10.29p

\* We achieved record profits and sales. For the first time ever, because of the Counter-Inflation Legislation, we have made special offers selling merchandise at below our catalogue price distorting our trading patterns and affecting our profits.

\* We recommend a final dividend of 31.05p (1974 32p) making a total for the year of 43.85p (1974 40.5p) which is equivalent to 68.59p including tax credit (1974 59.19p). This is the maximum permitted under the Companies Act 1967.

\* Over the years we have turned down suggestions to join other companies. I must say that I believe we were right, as our performance on our own has certainly been more dynamic. I do, however, feel at times frustrated that our unique systems are confined to our business only, whereas I know they could handle a turnover many times greater. The retail scene is changing so quickly that opportunities may present themselves in the future.

\* The number of stores trading at 29th March, 1975 was: UK 150 (1974, 144). Overseas 14 (1974, 13).

Copies of the Annual Report may be had on request to the Secretary.

## Mothercare Limited

CHERRY TREE ROAD, WATFORD, HERTS, WD2 5SH  
Austria • Denmark • The Netherlands • Norway • Sweden  
Switzerland • United Kingdom • West Germany



## Sharp drop in value of machine tool orders

By Edward Townsend

Further evidence that the economic recession is biting deeper into investment projects throughout the world comes today with the news that machine toolmakers in Britain have suffered a 28 per cent decline in the value of new orders over the past 12 months.

The latest machine tool figures, published in *Trade and Industry*, show that in the three months to the end of February, new orders fell by 21 per cent over the previous three months. Most of this was caused by a dramatic 35 per cent dip in orders from the home market, with export new orders decreasing by 5 per cent.

Since the same time last year, the machine tool manufacturers have been faced with falling markets overseas as well as at home. Export new orders have dropped in value by 23 per cent while domestic orders fell by a third. Rising prices in the last year mean that the number of machine tools ordered has fallen even more sharply.

Trade and Industry points out that order books are still at historically high levels. Total orders-on-hand at the end of February were valued at £360m, 16 per cent higher than a year earlier and "are probably sufficient to support a relatively high level of sales well into 1975".

## Drilling rig confirms N Sea find

By Our Industrial Editor

The North Sea drilling rig, Ocean Rover, has completed a confirmation well in the British sector, from which oil has flowed in production tests at the daily rate of about 6,800 barrels through a 7-8 inch opening.

This confirmation of an earlier discovery relates to Block 16/27 of the Andrew field and the well is only one mile from a British Petroleum discovery last year in Block 16/28. It is 145 miles north-east of Aberdeen, 385ft deep.

Operator is Phillips Petroleum Exploration, acting for a six-company group in which it owns 35 per cent. A spokesman said yesterday that the new well confirmed an extension of the reservoir in the 16/27 block.

The structure is between the boundaries of the two blocks. The Andrew field lies 13 miles south-west of the Maureen field held by another group of companies for which Phillips is the operator.

## France and America still far from accord in monetary talks

From David Blake  
Paris, May 29

France and the United States today seemed to move farther apart in their row over the future of the world monetary system, but hopes of a compromise seem, paradoxically, to be growing. The increased dissension between the two countries was underlined inside and outside the ministerial meeting of the OECD here which both countries are attending, when Mr William Symon, the United States Treasury secretary, disagreed strongly with French statements calling for a return to fixed parities.

Mr Symon told finance ministers the 24 richest Western industrial nations that flexible exchange rates were a "recognition of reality in the world". Outside the conference hall he reiterated his opposition, "trying to maintain" unrealistic parities, adding, "we have at least learnt that lesson from history".

More gloom came from the statement by M Jean Pierre

Fourcade, the French Finance Minister, that progress had been made when France and the United States tried to sort out their differences at a dinner held at the finance ministry last night for the finance ministers of France, the United States, Germany, Japan and a representative from the Treasury.

In spite of these gloomy signs, Mr Symon said today that he is hopeful that "a meaningful package" can be worked out to solve the dispute between France and America. "I'll be back for another round of meetings in 10 days", he said, "and I hope that we may work something out then on these problems".

There are three issues which divide the two countries. These are the role of floating in the international monetary system, what to do with the IMF's stock of gold, and how the quotas in the IMF, which decide a country's voting strength, should be distributed. The Americans want the IMF to recognize, as part of its rules, the right of a country to float its currency. M Fourcade on the other hand,

called today for a return to what he called "fixed, but adjustable" parities. France was, until recently, floating the franc on its own, but has now decided to join the "snake" which links certain EEC currencies and is worried that its money may be overvalued as a result, thus hurting its exports.

The gold question is rather more obscure, and most countries are slightly bemused observers in the argument, which isolates France from all its OECD partners. The French want the IMF to hand back to each of its members the portion of the quotas which they have supplied in gold. Under the French scheme the gold would be returned to them at its present official price, and could then either be added to their reserves or used as collateral in transactions with other central banks at the free market price which is roughly four times the official level.

The United States, on the other hand, thinks that the gold in the IMF should be used to set up a fund to help the developing countries.

## Engineers want to be 'basically federal'

By Derek Harris

It was announced last night by the Council of Engineering Institutions, centre of controversy over restructuring of the engineering profession, that its 15 chartered institution members had reached "a consensus of opinion" that the structure should remain "basically federal".

It was the federal structure which gave rise to criticisms of the CEI for indecisiveness. But there was now a consensus that the engineering body should be streamlined, with single nominees from institutions having fully delegated powers, thus promoting more decisive action.

Ideas for a non-federal direct election procedure which could give the CEI a more representative membership of non-chartered bodies have never been less than ruled out. It remains to be seen whether, at a further CEI meeting in July, that and other outstanding issues can be resolved and the consensus turned into a unanimous decision—necessary if the restructuring is to go through.

## First quarter fall in building contracts

Building contractors took on new work worth £1,412m at current prices in the first quarter of the year compared with £1,442m in the last three months of 1974.

According to figures issued yesterday by the Department of the Environment, new orders in the first quarter, seasonally adjusted and at 1970 prices, were 10 per cent down on the last quarter of 1974 and 5 per cent lower than the first quarter.

Provisional figures for March show that builders had new orders worth £537m, the highest level for at least six months. New council houses ordered in the first quarter went up by 14 per cent on the previous quarter and were 30 per cent higher than the same three months of last year.

## Call for oil ceiling

Kuwait legislators have urged the government to put a 15 million barrel a day ceiling on the country's crude oil production, it was reported in Beirut yesterday.

The Kuwaiti daily newspaper *Al-Siyasah* said five leftist members of the 57-member parliament introduced a Bill calling for the limit. Kuwaiti crude oil production averaged 2.1 million barrels a day in March and April.

## BSC shortage

It was admitted by the British Steel Corporation last night that they were unable to supply all the initial steel requirements of the Thames Barrier gates being constructed by the Davy Cleveland Barrier Consortium. But the corporation said that the bulk of the order amounting to 14,000 tons of steel would be supplied by them. Only 1,800 tons worth about £300,000 would have to come from alternative suppliers.

## Aston Martin date

The consortium buying the Aston Martin Lagonda car company hopes to complete the purchase by June 9, a spokesman said yesterday. They will rename it Aston Martin (1975) and within six months of reopening it is hoped to employ 300-400 of the former workers.

## Business appointments

### Top changes at Associated Engineering

Mr G. Colin Hepworth is to resign his position as chief executive of Associated Engineering but is to become chairman and chief executive of the South African subsidiary Associated Engineering (SA). He will continue as a director of the parent company. Mr J. G. Collyer is to succeed him as group chief executive from October 1.

Following the resignation of Lord Latimer after 27 years as chairman of the company in London of the Ottoman Bank, Mr M. J. Barington Smith has been elected to succeed him. Lord Latimer remains a member of committee. Mr Dermot Smurfit has been appointed to the main board of the Ottoman Bank.

Mr Eddie Perkins has become a director of Biffey & Barrow Crompton.

Sir Charles Alexander is relinquishing the chairmanship and resigning from the board of Biffey, Blyth. Mr Francis Plumb has been elected to the board and invited to succeed Sir Charles as chairman.

Mr John Ascherbach has been made a director of a new public relations organisation set up by Honeywell's UK companies.

Mr John Long has been appointed executive officer to the British National Committee for Electro-Heat.

Mr Kai Fagerstrom, at present manager of Nordic Bank in London, has been appointed assistant general manager (foreign) of the international division of Kansallis-Osake-Pankki in Finland with effect from August 1.

Mr J. L. Logue has taken over as chairman and chief executive of The Beeston Boiler Company in succession to Mr J. K. Smith who remains on the board.

Mr F. M. Tomkins has been appointed director of manufacturing, engineering and technical services. Dr H. Rose and Dr P. J. Agius have been appointed members of the Advisory Council on Research and Development for Fuel and Power.

Mr T. Hutchinson has been made managing director of Milners Redundancy, succeeding Mr W. Wallace, who has retired to take up an appointment in Libya. Mr M. Mettack joins the board as financial director.

## CBI chief urges action on inflation

By Maurice Corina  
Industrial Editor

Mr Ralph Bateman, president of the Confederation of British Industry, yesterday said it was "desperately urgent" that the trade unions and the Government should examine his organization's recently announced ideas for fighting inflation.

The post Bank Holiday plea came at a meeting of southern employers, who heard the CBI president describe the initiative by industrialists as an honest effort to find a solution. "It is desperately urgent," he said, "that the matter should be discussed with trade unions and the Government so that action can be taken soon."

There had to be arrangements accepted by both employers and employed which ensured incomes would not run ahead of production. It was beyond question that the prime cause of our inflation in the past year and today was the fact that pay increases had been enormously greater than production increases.

Angry deputations: Leaders of the CBI in an angry mood go to see Mr Albert Booth, Minister of State for Employment, today to complain that the Government has taken little—if any—notice of the CBI's representations on the Employment Protection Bill.

## Chrysler strike likely to continue next week

From R. W. Shakespeare

Chrysler is now facing the probability that the strike by 4,000 workers at its Coventry engines plant, which has stopped all car output in the Midlands and Scotland, will continue for most of next week.

Hopes that a new pay offer by the company would provide the basis of an early settlement of the dispute, which is now in its fourth week, appeared to diminish yesterday.

Shop stewards representing the strikers reacted angrily to the company's refusal to meet their demands that the men involved in the dispute should

get pay for days this week when they would normally have been on holiday—had they not been on strike.

Mr Duncan Simpson, chairman of the Joint Shop Stewards' Committee, said the shop stewards would be meeting as planned on Monday but there was no decision at present to bring forward a mass meeting of the strikers which had been arranged for next Thursday.

The strike has made 11,000 Chrysler workers idle and halted all the American-owned company's car production at Ryton, Coventry, and Linwood, Renfrewshire.

## More workers on short time

Short-time working in British industry is increasing. The proportion of operatives in manufacturing industries working short-time on March 15 was 4.1 per cent, according to figures released in today's Department of Employment Gazette. On average they lost 12.3 hours a week.

This compares with a figure of 3.3 per cent on short-time on February 15, when the average number of hours lost was 12.1. There was also a slight reduction in the number of employees working overtime.

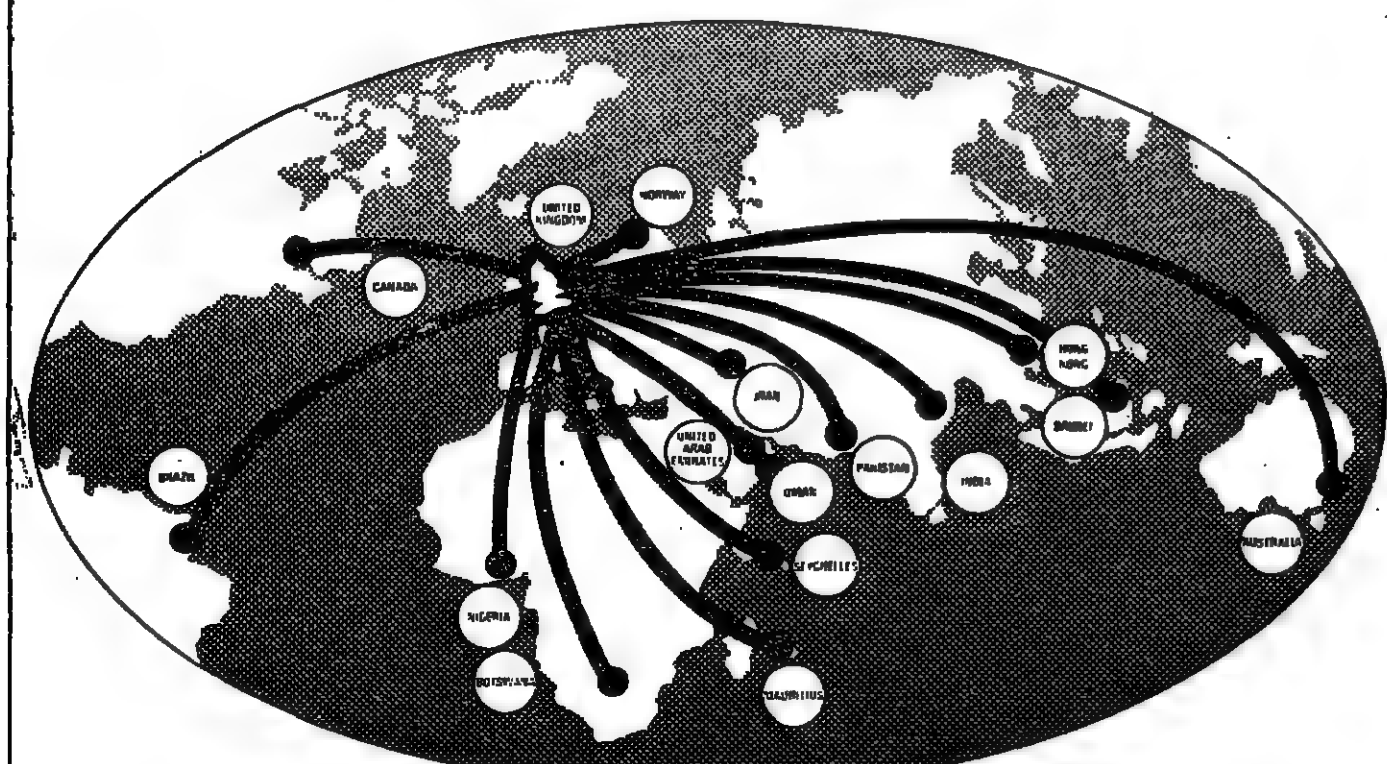
## Accounting Standard issued

The United Kingdom Accounting Bodies yesterday published their long-awaited Accounting Standard on Stocks and Work in Progress.

The standard requires that in the case of long-term contracts attributable profit should be treated on an accruing basis, but stresses that there can be no such profit until the outcome of the contract can be assessed "with reasonable accuracy".

An accompanying statement from the Inland Revenue recognizes the bases of the standard as "valid bases".

## Costain success based on worldwide strength



J. P. Sowden, Chairman, reports:

Expectations for 1974 exceeded

New records for turnover and profit

Dividend increased to permitted limit; covered more than five times

Over 60% of earnings from abroad

Over two-thirds of outstanding orders in international markets

Continued expansion in oil-producing countries

Further improvements in results expected for 1975

Financial summary

1974

1973

Turnover

£193,000,000

£150,000,000

Pre-tax profit

£ 10,857,000

£ 9,634,000

Profit after tax and minorities

£ 5,207,000

£ 4,941,000

Earnings per share

21.0p

20.0p

Dividend per share

3.894p

3.5882p

Copies of the Report and Accounts may be obtained from the Secretary, Richard Costain Limited, 111 Westminster Bridge Road, London SE1 7UE.

COSTAIN

Britain's leading international construction group

## LETTERS TO THE EDITOR

### Benefits to textile industry of staying in the EEC

From Sir Jan Lewando

Sir, Little attention has been given during the referendum campaign to the extent to which membership of the Common Market should have a beneficial effect on the British textile industry, an industry which, with clothing, employs close on one million people.

Britain has traditionally imported a much higher proportion of its textile requirements from relatively low cost developing countries than any other industrialized country in the western world. Within the Common Market, apart from ourselves, only Germany imports a high proportion of her requirements. Other members of the EEC have hitherto been protectionist.

A new international agreement, providing a framework for world trade in textiles, was drawn up in Geneva at the end of 1973. This agreement (the GATT Multi-Fibre Arrangement) covers many aspects of trade in textiles. Its main feature is that, where there is a need for a restraint arrangement between a low cost exporting country and an importing country, the latter is required to agree to an annual growth rate in its imports of at least 6 per cent per annum.

This provision could have proved very onerous indeed for Britain to accept in isolation, particularly in view of the serious problems which our domestic industry is facing during the present world recession in textile trade.

However, our membership of the Community is likely to reduce the extent of the problem substantially. Last year, the EEC, largely as a result of pressure exerted by the British Government and the British Textile Confederation, agreed to a fairer distribution of the burden of textile imports among the nine member states.

Under the "burden sharing" formula, it was agreed that countries which, like Britain, already take more than their fair share of textile imports, should in future take a smaller proportion of the growth in imports into the Common Market than other countries in the EEC, where the import penetration is markedly less.

### Evil of retrospective legislation

From Dr B. Moore-Smith

Sir, Life assurance policies taken out since March 19, 1968, have been subject to retrospective legislation since March 13, 1975.

Under this legislation chargeable events will arise on the cashing of bonuses after March 13 1975, on any policy effected since March 19, 1968; any gain made may be charged to tax at higher rates and the investment income surcharge. A number of other gains from policies may be created similarly.

This means that proceeds from policies effected before this legislation was even considered are subjected to taxation in a way which could not possibly have been foreseen at the time.

This is a singularly evil instance of retrospective legislation. People may have many reasons for saving through insurance policies, and it makes total nonsense of any attempt to plan financially if retrospective legislation of this sort is allowed.

I hope, sir, you will lend your authority to the condemnation of this latest and pernicious example of such legislation. B. MOORE-SMITH, Stanham Aspel, Stowmarket, Suffolk.

### Inflation and pension values

From Mr B. C. Hodge

Sir, We now see that inflation can cut the real value of a pension by one half in the space of three years.

It also seems obvious that even the most skilful investment of pension funds will not produce enough to provide the pensioner with reasonable protection against inflation after retirement. In the long run this

protection can be given only by the state, because only governments can print money. If in return for this support the Government expects some portion of pension funds to be devoted to "socially desirable purposes, then so be it. It is better than the alternative. Ask any pensioner.

B. C. HODGE, Eastbourne, Sussex.

### Questions on Burmah which need answers

From Dr F. H. Peakin

Sir, Your Financial Editor's sympathetic comment (28) on the outraged feeling of Burmah shareholders and weakness of their case, on purely legal grounds, is entirely apposite. It is, however, an aspect of this "plausible" affair, important enough to outweigh in the run even the heavy financial justification which has fallen some 160,000 shareholders.

You report that private holders have formed their action group, that they make a gesture at the company's annual meeting and they are taking separate advice. It is evident, therefore, that they do not believe rights to be adequately guaranteed by their belonging to the company's shareholding. In the past, shareholders with holdings, typically the institutions, dominate, the voting.

Is the mass of, say, 15 "small" shareholders right to be apprehensive about the company's future? After all, the situation in Burmah, with wide spread of shareholdings, is a common one in companies.

The answer lies, I say, in the fact that disclosure made by the company to institutional shareholders, formation which had then sought separately by the shareholders. Accordingly, cannot be blamed for voting whether, and at what price, Burmah's slide to insolvency, early news of disclosed to shareholders limited group. Analysis: dealings during late 1974 Burmah stock would be intact, but how could small holders hope to find this without large expenditure time and money? Who is the new board, now, one to be confirmed at the meeting?

Parallel questions ought to be worrying the small holders in BP, who have potential control of their party pass overnight to the element. Moreover, the rumors are run for the benefit of their shareholder clients; are they not then worried by the sell-out of Bank of England or their best indirectly assess, the BP shares? doubt the widows and orphans are proportionately numerous among them Burmah.

The ones of a reply are: be worrying the small holders in BP, who have potential control of their party pass overnight to the element. Moreover, the rumors are run for the benefit of their shareholder clients; are they not then worried by the sell-out of Bank of England or their best indirectly assess, the BP shares? doubt the widows and orphans are proportionately numerous among them Burmah.

The ones of a reply are: be worrying the small holders in BP, who have potential control of their party pass overnight to the element. Moreover, the rumors are run for the benefit of their shareholder clients; are they not then worried by the sell-out of Bank of England or their best indirectly assess, the BP shares? doubt the widows and orphans are proportionately numerous among them Burmah.

The ones of a reply are: be worrying the small holders in BP, who have potential control of their party pass overnight to the element. Moreover, the rumors are run for the benefit of their shareholder clients; are they not then worried by the sell-out of Bank of England or their best indirectly assess, the BP shares? doubt the widows and orphans are proportionately numerous among them Burmah.

Yours faithfully, DR F. H. PEAKIN, Robin Hill, Goring-on-Thames.

From Mr J. A. Gillott  
Sir, Surely the correct way to solve the problem of the take is by way of a rights issue of these shares to Burmah shareholders on the register December 31 at a price of 10p to recap the Bank of England their outlay of £15m a modest "turn" if £15m fee mentioned Burmah's recent report is considered adequate, cover for the facilities provided by the Bank.

Yours faithfully, J. A. GILLOTT, 4 Bourne End Road, Northwood, Middlesex.

## SEARS HOLDINGS LIMITED



### Trading Results—year ended 31st January, 1975

	1974/75	1973/74
	£m	£m
Turnover	600	525
Trading profits	42.3	52.0
Group profits before taxation and extraordinary items	41.1	48.3
Group profits after taxation and before extraordinary items	20.5	24.1
Proposed dividend	8.4	7.7
Added to reserves	9.7	13.6

### Dividend

The directors are recommending the maximum permitted dividend of 1.90998p per share on the Ordinary Share Capital, payable 1st July, 1975.

A copy of the Annual Report may be obtained from Hill Samuel Registrars Limited, 6 Greencoat Place, London SW1P 1PL.







## The Beauford Group

RESULTS FOR YEAR ENDED  
31st DECEMBER

	1974 £	1973 £
Turnover	3,394,284	2,361,476
Pre-tax Profit	198,982	312,686

From the statement by the Chairman, Mr. G. Crawford:—

Disappointing though it is to have to report reduced profits, the results for 1974 must be viewed against the background of the three-day week. Pre-tax profits during the first half of the year were down to £36,000 but in the second half we made a pre-tax profit of £163,000 (£152,000—1973).

The disruption caused by the three-day week lasted well into the year and, until the latter part, difficulties were experienced in procuring supplies of raw materials and components.

In the engineering division, the design department, started towards the end of 1973, together with our heavy capital investment over the last few years, will enable us to engage in bigger contracts which call for the design as well as the manufacture of equipment.

The machine tool division has expanded rapidly over the last three years and, during the year, its management team has been strengthened so as to ensure that it is able to cope with the increasing demands made upon it.

Our order books are again at record levels, and we expect, in the absence of unforeseen circumstances, to give a good account of ourselves in 1975. In an industry such as ours, results can be materially affected by the incidence of contract completions. The results for any half year will, therefore, not necessarily be indicative of the results for the year as a whole.

THE BEAUFORD GROUP LIMITED  
CLECKHEATON, YORKSHIRE

## FINANCIAL NEWS AND MARKET REPORTS

### A Engineering raises £7.9m as profits burgeon to record

By Desmond Quigley  
Associated Engineering has announced a one-for-three rights issue to raise £7.9m and more than doubled interim profits of £6.5m.

The proceeds of the issue will be used for investment, the bulk of which will be in Britain. However, Mr. Malcolm Norgate, the finance director, warned shareholders that this would be jeopardized if Britain withdrew from the EEC.

He said if the result of the referendum led to the country leaving the Common Market, a greater proportion of the investment money would be directed to other EEC countries.

He added that AE wanted to broaden the equity base, and improve the capital structure. The group planned to increase diesel engine production capacity, extend the bearing business into the general industrial and marine fields and further improve profitability. A large part of additional sales are expected to be in overseas markets.

A pre-tax profit for the year of £13m has been forecast, against profits of £9.2m last year. Sales in the first half rose by about 30 per cent from £78m

to £101.3m. Interest charges accounted for £2.5m, up £500,000 on the first half last year.

Despite the good figures, the AE board struck a note of caution. It said that comparison with the first half of last year was of limited value thanks to the three day week. Of greater relevance was comparison to the final half of last year. On this basis sales rose by £15.4m and profits by £300,000. A gross interim dividend of 1.54p against 1.37p is declared and the board plan a final of 4.1p a share to make 5.64p against 5.01p. The shares rose 5p yesterday to 60p.

### Wheatstheaf gets moving and pays maximum

By Terry Byland

An improvement in the second half year at Wheatstheaf Distribution & Trading has produced a rise of 5.3 per cent to £2,904,000 in pre-tax profits. Turnover went up by 30 per cent to £227.3m. The new chairman, Mr. E. Moore, described the recovery as "general" and stressed that the group, which operates 52 trade markets and 36 retail stores, has surmounted the margin complications which upset the first half—when pre-tax profits fell by 23 per cent.

A final dividend of 2.9038p is the maximum allowed, giving a total of 4.48038p for the year to March 1.

Earnings are 12.6p a share against 14.0p. Wheatstheaf was formerly a subsidiary of Rank's Horwits-McDougall, which still holds all the "A" shares. On

current trading the view is somewhat restrained. "Nice and busy", were the words chosen by Mr. Moore, but he added that inflation, together with the distortion of sales figures by pre-Budget buying, made comparisons difficult.

One hurdle comes at the beginning of July when the Minister of the Environment will decide on Wheatstheaf's plans for another Carrefour hypermarket development at Minworth, near Birmingham. The group is pleased with Carrefour's trading to date, but the Ministry made it modify plans for the store at Bristol, and then abandon those for Rayleigh, in Essex. Now the board feels that official attitudes towards hypermarkets have serious implications outside, as well as inside the group.

### Orders held up at Wm Press as profits soar

William Press benefited spectacularly last year from the absence of further mishaps on North Sea contracts. In 1973 profits were crippled by £1.8m loss provision on contracts at the Howden yard, where Press turns out modules for North Sea work.

So a rise of 150 per cent to nearly £3.2m in pre-tax profits is not quite all it seems, though it is a record. Press pinpointed overseas trading, chiefly in the Middle East, as a growth area, but it is still a fairly small, profit contributor.

A maximum permitted increase in the dividend brings the total to 1.105p a share. With no United Kingdom tax payable this year, profits after tax show a 54 per cent rise to £1,409,000 and earnings are up from 2.03p to 3.05p a share.

The board is mildly optimistic about trading this year. United Kingdom contract work still the major profit earner, is "satisfactory" and the Howden losses are now a matter of history.

Richard Costain, which is involved with Wm Press in a North Sea supply contract in Aberdeen, expects a "modest improvement" in profits in 1975, says the chairman, Mr. J. Sowden, in the annual report. He pins his faith on Costain's "good standing" in the industry and the wide spread of its operations.

## Stock markets

### Equities harder at the close

Bear closing late in the day sparked some life into the London stock market yesterday and equities closed at their best level of the session.

Referendum apart, trading was dominated by a result from Courtships which exceeded the highest hopes of most market men and left the shares 11p higher at 140p. ICI moved in tandem and closed 3p higher at 282p. The quarterly decline by BP was much as expected.

By 3 pm the FT index, which had shown minus signs all day, was 1.1 off at 345.5, but by the close it had advanced to 348.5, a gain of 1.9 on the day. Trading though was very light and at just over 6,000 the number of bargains struck was even fewer than on the previous two days. Dealers remain reluctant to open fresh positions ahead of this week's poll, but were not able to maintain Wednesday's strength and losses of up to half a point were registered.

The most actively traded stock of the day was textile group Coats Patons, where poor figures and the omission of the final dividend and sharply increased borrowings clipped 7p from the shares which ended at 48p. Among the blue chips, Unilever (38p), British American Tobacco (25p), and Boots (25p) lost up to 4p, but Fisons, at 38p, and Becham, at 20p, both firmed by 5p.

The decision of United Dominions Trust to pass a preference dividend clipped 5p from the price to 18p, while Exchange Tele (25p) lost 2p and Mercantile Credit (off 2p to 21p) followed suit. Associated Engineering's interim result was enough to outweigh a 27m rights and the issue rose 5p to 60p, while in mines Great Boulder added 3p to 85p awaiting further developments from Western Mining and Silver Mines celebrated a stake in the Irish offshore oil block with a 6p leap to 72p.

Settlement of the technicians dispute at the independent television companies helped

Granada "A" to cut back earlier losses to 1p, at 51p, and ATV "A" also closed only a penny off at 49p. Also hit by industrial problems were Burrells, where the cross Channel dispute clipped 21p off to 62p. The independent tribunal's recommendation of a 27 1/2 per cent pay rise for railway men, 61 per cent above the Rail Board's offer, did little to affect sentiment.

A report stating that the strength loss in high-alumina cement is significant but not critical came too late to help a dull session in the shares and Rando Portland closed 1p down to 72p and Tarmac 2p off at 126p. Earlier in the day Government figures had shown that contractors' orders had fallen 16 per cent from the final quarter of last year to the first three months of this year. Small selling clipped from the shares yesterday to close of 165p. Some deal think the price has risen fast, and against the trend, late.

The market is expecting about £200m before tax (£230m) from the Ruse due to report on 11 days. Small selling clipped from the shares yesterday to close of 165p. Some deal think the price has risen fast, and against the trend, late.

seemed to be holding off us after the EEC referendum. "Equity turnover on May was £57.8m (16,152 bargain Active stocks yesterday according to Exchange Telegraph were Coats Patons, ICI, Courtships, Boots, British American Tobacco, EMI, Commercial Union, BP, United Dominions Trust, Barclays Bank, S.I. Mines, Lomax, United Steel, and Delta Metal.

### Latest dividends

Company (and par value)	Dividend	Year	Pay date	Year's total	Prev year
Admiral Power Eng (25p) Fin	1.25	1974	29/7	3.02	2.81
Admiral Power Eng (25p) Int	0.52	1974	29/7	3.54	3.36
Admiral Power Eng (25p) Div	0.53	1974	29/7	3.54	3.36
Copper-Neil (10p) Fin	1.17	1974	29/7	2.37	2.19
Copper-Neil (10p) Int	0.7	1974	29/7	2.37	2.19
Copper-Neil (10p) Div	0.7	1974	29/7	2.37	2.19
Coats Patons (25p) Fin	1.12	1974	29/7	3.46	3.19
Coats Patons (25p) Int	1.12	1974	29/7	3.46	3.19
Coats Patons (25p) Div	1.12	1974	29/7	3.46	3.19
Courtships (25p) Fin	3.75	1974	31/7	5.93	5.15
Courtships (25p) Int	1.14	1974	31/7	5.93	5.15
Courtships (25p) Div	1.14	1974	31/7	5.93	5.15
Exchange Tele (25p) Fin	1.12	1974	29/7	4.04	4.04
Exchange Tele (25p) Int	0.13	1974	29/7	4.04	4.04
Exchange Tele (25p) Div	0.13	1974	29/7	4.04	4.04
Fisons (25p) Fin	0.95	1974	29/7	1.11	1.01
Fisons (25p) Int	0.95	1974	29/7	1.11	1.01
Fisons (25p) Div	0.95	1974	29/7	1.11	1.01
Granada (10p) Int	0.81	1974	29/7	2.77	2.77
Granada (10p) Div	0.81	1974	29/7	2.77	2.77
Granada (10p) Fin	0.81	1974	29/7	2.77	2.77
ICI (25p) Fin	2.93	1974	31/7	3.7	3.43
ICI (25p) Int	2.93	1974	31/7	3.7	3.43
ICI (25p) Div	2.93	1974	31/7	3.7	3.43

Dividends in italics are shown net of tax in pence per share. Shareholders in business areas dividends are shown net of gross basis. Establishments, multiply the net dividend by 1.54, c.c.m.s. a share, + 12 months.

## Harcros Investment Trust Limited

The sixty-sixth annual general meeting of Harcros Investment Trust Limited will be held in London on 25th June. The following is an extract from the statement by the Chairman, Mr. J. F. GILCHRIST, O.B.E., which has been circulated with the report and accounts.

We are pleased to report that the Trust's gross revenue has again reached a record figure at £479,015 compared with £443,025 for 1973. As indicated last year, the outlook for the plantation industry was favourable and our income from this sector of the portfolio was well up to expectations at £246,646 against £217,341. Reduction of commercial and industrial holdings during the previous year contributed to a fall of some £1,000 in dividends from this source but higher rates on our liquid funds gave the Trust the benefit of interest up from £23,084 to £26,902. Taxation was higher at £150,340 against £127,001, leaving £296,370, or earnings of 1.56p per 10p stock unit compared with 1.51p. The board recommend a final dividend of 1.12p per unit making a total for the year of 1.40p per unit against 1.318p.

Our net assets at 31st March 1975 totalled £7,955,440 representing 41.2p per 10p unit as against 45.1p at the previous year end. During the year we held a high proportion of liquid funds although new investments were made in the early part of 1975. We have continued to favour companies with high overseas earnings and we are well placed with funds to take advantage of market opportunities. At present, however, we believe a cautious approach to committing new money is still essential.

Whilst so many uncertainties persist on the economic front, it is impossible to make any realistic forecast for the current year either in regard to capital values or income. Indications to date show that dividends from our plantation holdings should be fairly well maintained during the year. Income from new investment in the general sector undertaken in the second half of our year will not noticeably add to revenue in the short-term and this year we do not expect to have the benefit of such high rates of interest on liquid resources. The Board's aim will be to continue making a fairly full distribution of earnings and to improve the base of the portfolio to gain maximum benefit when a recovery from present levels occurs.

### London investment funds take up 12m Swire 'A'

London based institutions took up more than a half of the £10m worth of "A" shares in Swire Pacific placed this week in connection with Swire's purchase of the controlling interest in Cathay Holdings, it was disclosed yesterday. Cathay's important asset is its 60 per cent stake in Cathay Pacific Airways.

Some 21m shares were placed, of which London took 12m at a cost of around £5.7m. The rest were evenly spread among interested parties in the Far East, Middle East and Europe. The shares, suspended in Hongkong on Friday at

SHK7.25, restarted overnight at SHK6.80/85 against the placing price of SHK6.38. Hambros Bank acted for Swire Pacific.

Swire Pacific is the major quoted company in Hongkong of John Swire & Sons, the privately owned London company holding the Swire family interests in shipping, property and industry, ranging through out the Far East and Australia.

The placing followed Swire Pacific's purchase of the 31.25 per cent in Cathay Holdings held by China Navigation and the 25.5 per cent held by John Swire (HK). The outstanding 31 per cent is held by P & O.

### Upswing of 80pc in Capper Neill's second six months

A 74 per cent jump in pre-tax profits of £1.4m in the second six months of 1974, but the proceeds of £2.5m from sales of quoted investments has been used to reduce borrowings. The board says there will be a "substantial saving" in interest charges.

The group substantially increased its involvement in overseas markets. From earnings up from 4.1p to 7.46p a share the board is raising the total dividend from 3.2p to 3.6p. The alternative scrip idea has been abandoned.

### F Chemical feeling harsher climate

The first year of trading of Federated Chemical Holdings, formed by the merging of Greiff-Chemicals and Chemical Securities, shows a 1974 taxed profit of £668,000 on turnover of £31.1m.

Shareholders get a final dividend of 1.1p a share making a total of 2.7537p. Comparisons are invalid, because the present figures include a full year from Greiff-Chemicals, six months from Chemical Securities, and eight months from the Kingsley and Keith Group.

The board doubts whether this year's trading will match that of 1974 because of the economic downturn. But it remains optimistic on the long term.

### Pentos offer for W B G succeeds

Pentos says it received acceptance for its share offer for Wright, Bindley & Gell on behalf of 101,175 shares which together with its own shareholding amounts to more than 50 per cent of the WBG share capital. Both the shares and loan stock offers have therefore become unconditional and will open till June 12.

### LEYS POWERS & ENGINEERING

For half-year to March 31 pre-tax profit £1.38m (£486,000) from turnover up from £7.9m to £13m. Comparable figures depressed by effects of three-day week. Board warn recent weeks of strikes in motor industry are seriously affecting profitability of largest subsidiary. Interim dividend 1.56p (1.56p).

LONDON & ASSOC INV TRUST Board has agreed to sell to Temple Investment & Finance of Geneva, in exchange for shares of 10p in Kaduna Syndicate (28.98 per cent) at 17p each. Last retain 4.13 per cent stake in Kaduna.

CAIRD (DUNDEE) Group taxable profits for year to March 31 whole made a profit of £750,000 to £588,000; final dividend 1.5p making 2.95p (2.62p).

short-term debt. Application is being made to list the notes on the Luxembourg stock exchange.

### Issues & Loans

#### Gulf & Western plans \$20m Eurobond

Gulf & Western International NV, a wholly-owned subsidiary of Gulf & Western Industries, is planning a \$20m 5 year note issue in the Eurobond market. The notes will be offered by an international underwriting group jointly managed by Kidder, Peabody International, Banque Paribas, and de L'Union des Mines, Hambros Bank and N. M. Rothschild. The net proceeds will be used to reduce

DAI-ICHI Dai-ichi Kangyo Bank, of Japan, is issuing \$15m of negotiable certificates of deposit (CDS) on the Eurodollar market. These will be underwritten by Credit Suisse Whitehead, in mature issues, carry a 9 per cent rate of interest and be priced at par.—AP-Dow Jones.

VOLVO In the opening quarter the Volvo group as a whole made a profit and not a loss of 18m kroner as we reported on Wednesday.

### Haw Par's £30m Malaysian swap alters Ldn Tin control

From Hugh Mabbett

Kuala Lumpur Peras Securities, a member of Malaysia's state trading corporation, is to acquire 70.4 million new shares in Haw Par Bros International, formerly Slater-Walker's Asian "flagship". The deal involves 39.7 per cent of Haw Par's enlarged capital, and more than £30m in new shares.

When approved this will make Peras the biggest holder in Haw Par. In return, Haw Par will acquire from Peras all the share capital of Tradewinds Malaysia, whose main assets are 4.4 million shares in London Tin, 57 million in Island and Peninsular Development, and 1.1 million in Sime Darby Holdings.

The swap will reduce the shareholdings in Haw Par of two London-based companies, Ivory and Sime Managed Trusts and Charter Consolidated, from 13 to eight per cent each. Haw Par will hold 51 per cent of London Tin and 10 per cent of Sime.

Haw Par says early talks will be held with the board of London Tin and the Take-over Panel in London. It does not intend to change London Tin's domicile or bid for its outstanding shares. Singapore, May 29.—The stock exchange here today suspended dealing in Haw Par shares, saying that the terms were not fair to HF holders.—Reuters.

## SKF

### Interim Statement

SKF Group sales for the first four months of 1975 were 2,299 million Swedish kronor (Skr) as compared to Skr 2,262 million for the corresponding period in 1974. Unaudited accounts show that Group income before provisions and taxes amounted to Skr 265 million (256 m) equivalent to 11.5 per cent of the turnover.

Capital Expenditure during the four-month period amounted to Skr 145 million, almost a 50 per cent increase on the comparative figures in 1974. This continues the corporation's modernisation process and is part of the Skr 640 million investment programme for 1975.

Announcing the interim figures at the Annual General Meeting of the SKF Group Parent Company, Managing Director Lennart Johansson expressed the intention of retaining capital investment at a level which will ensure continuous modernisation and systematic expansion of capacity. In respect of 1975 profits, Mr. Johansson felt that it was not possible to attain the record 1974 results despite the relative improvement shown in the first four months of this year.

Comparison tables including the financial year 1974:

	Jan 1st-April 30th 1975				Jan 1st-Dec 31st 1974			
	Mkr	%	Mkr	%	Mkr	%	Mkr	%
Sales	2,299	100.0	2,262	100.0	6,900	100.0	6,900	100.0
Cost of goods sold	1,537	66.9	1,505	66.5	4,592	66.5	4,592	66.5
Selling and administrative expenses	325	14.1	317	14.0	979	14.2	979	14.2
Operating income before depreciation	437	19.0	440	19.5	1,329	19.3	1,329	19.3
Depreciation	130	5.6	140	6.2	411	6.0	411	6.0
Operating income after depreciation	307	13.4	300	13.3	918	13.3	918	13.3
Financial income and expenses-net	-43		-48		-132		-132	
Sundry income and expenses-net	1		4		16		16	
Income before provisions and taxes	265		256		802		802	
-in percentage of net sales	11.5		11.3		11.6		11.6	
Earnings in kronor per share*	9.70		9.70		30.95		30.95	
Investment in plant and property	145		98		426		426	
Cost calculated depreciation	169		166		478		478	
Average number of employees	59,552		61,138		61,005		61,005	
Group sales by product field**								
Rolling bearings	1,807	72.5	1,801	74.4	5,495	73.6	5,495	73.6
Steel products	430	17.2	404	16.7	1,228	16.5	1,228	16.5
Other products	258	10.3	217	8.9	739	9.9	739	9.9
Total	2,495	100.0	2,422	100.0	7,462	100.0	7,462	100.0

\*Operating income after deduction of cost calculated depreciation, reduced by financial income and expenses (net), less taxes 45%. The calculation is based on the number of shares before the right and bonus issues in 1975.

\*\*The figures include internal deliveries between the three product fields.

**napcolour**  
INDEPENDENT PHOTOFINISHERS

Extracts from the Report and Accounts for the year ended 31st December 1974 and the Statement by the Chairman, Mr. Charles Plant.

**Profits**  
Net profits after tax but before extraordinary items amounted to £136,370 (£135,481).

**Turnover**  
Turnover at £2,125,414 showed an increase of 55 per cent.

**Dividend**  
Dividend increased from 27.20p per share to 30.50p, the maximum allowed.

**Flotation**  
It remains a high priority to obtain a Stock Exchange quotation.

**Prospects**  
The company is now well placed to take full advantage of market potential.

Copies of Report and Accounts obtainable from  
The Secretary, Napcolour Limited,  
76 Lower Bridge Street, Chester CH1 1RU

**HAROLD PERRY**  
**MOTORS LIMITED**  
Ford Main Dealers

**1974 RESULTS**

	1974	1973
GROUP SALES	£29,845,950	£25,293,378
PROFIT BEFORE TAX	£1,012,105	£893,520
DIVIDENDS net	£182,297	£166,944

Extracts from the review by the Chairman, Mr. J. F. Macgregor

- Profits before tax increased by 13% over 1973.
- Dividends increased by permitted maximum.
- £400,000 profit in first quarter of 1975—up 44% on 1974.
- Group's share of car and commercial vehicle markets increased in 1974.

**GO PERRYS**

Copies of the Chairman's Review and the 1974 Report and Accounts can be obtained from the Secretary, 278 Ballards Lane, London N12 8NS.



## FINANCIAL NEWS AND MARKET REPORTS

## Wall Street

Stocks on the New York stock exchange were moderately lower today, a mid-season struggle to continue after a strong start.

Industrial shares fell 2.04 to 815.00, while the Dow Jones Industrial Average fell 1.14 to 813.87.

The S&P 500 index fell 1.14 to 181.87.

The Russell 2000 index fell 1.14 to 181.87.

The NYSE volume was 1.14 billion shares.

The NYSE turnover was \$1.14 billion.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

The NYSE average price was \$1.14.

The NYSE average volume was 1.14 million shares.

## Robertson turns down in second half

The interim results of Robertson Foods, the Scottish food group, showed a profit of 35 per cent, but the full year's results to March 31 reveal that the second half pre-tax profits turned down a bit from £1.35m to £1.34m. Even so, the 12-month figures reached a new peak of £2.1m against £1.94m.

Group sales went ahead much faster, and for the full year jumped by more than 27 per cent to £22m. The bulk of the group profit is still earned in the United Kingdom but the overseas side chipped in £386,000 against £270,000. Earnings a share rose from 8.64p to 9.29p, and the total dividend goes up from 5.78p to 6.52p.

Mr R. C. Robertson, chairman, says that the results were achieved in spite of exceptional increases in sugar prices and the inability to recover these at the retail end. In the current year the board is confident that profits should be more than maintained.

K Shoes well over £1m

With retailers cutting stocks to conserve working capital the shoe trade in general has not been brisk. But K Shoes raised pre-tax profits in the half year to March 31 from £1m to £1.3m.

The second half started with cold weather, but since then business has picked up and all group factories are busy. So profits for the full year should

finish ahead of 1974's. The interim dividend rises from 0.89p to 1.18p.

## City depression hits Extel

Second half profits of Exchange Telegraph more than halved. This helped pull the full year's figures to March 31 last down by 45 per cent from the record £1.81m last year to £984,000. There was a marked fall in profitability at Burrup Mathieson, the financial, legal and commercial printers, reflecting the depression in the City. Racing news services earnings also fell.

Recovery in the City has resulted in improved trading in the first two months of the current year. Earnings a share slipped from 10.1p to 5.5p but the dividend goes up a bit from 5.95p to 6.13p.

Caravans loses less

Caravans International has again turned in, as expected, an interim pre-tax loss, but the rate of loss-making has lessened. On sales up 10 per cent at £18.4m, losses ran at £363,000 for the six months to February 28, against £472,100. Prospects for the year are not bright, but the board is banking on restructuring and redundancies to bring benefits next year.

Grendon brighter

A process of rationalization has resulted in further improve-

ments in the property portfolio of Grendon Trust since September 30, 1974, the chairman says in his report for the 18 months to that date.

In addition, the commercial property market has improved since the lifting of rent restrictions, he says, which bore heavily on a company such as Grendon with its high content of reversionary properties. Since September, properties have been sold for £1.2m and annual rentals increased by £440,000.

## Scott &amp; Robertson profits fall 37 pc

Textile manufacturer Scott & Robertson suffered a 37 per cent fall in pre-tax profits last year. There was a recession on demand for the company's products. But the directors say that there has been some improvement since February and the majority of units are working more profitably.

Pre-tax profits fell to £575,130 for the year to February 28, 1975. A final dividend of 1.2p (1.07p) proposed, making 2.24p (2.06p). Earnings per share are 7.44p (8.89p). Group turnover rose from £14.41m to £17.32m, and the net profit was £216,421 compared with £444,297.

## J. Smart looks to profit jump

J. Smart (Contractors) has declared an interim dividend of 1.26p (1.12p) for the year to

July 31, 1975. Members holding approximately 50 per cent of the shares have waived their right to the payment.

The board estimates that group pre-tax profits this year will be at least £980,000 (£501,225). Operations have been reasonably free from interruptions due to material shortages and group turnover should be about 60 per cent up on the year before.

## GEORGE DOLAND

Group turnover for year to January 31, £2.74m (£2.38m for previous year, adjusted to take into account closed branches). Pre-tax trading profit, £170,000 (£120,000 for previous 13 months). Dividend, 1.75p (gross £1.40p net).

## FAIRBANKS LAWSON

In six months to January 2 pre-tax profit was £128,000 (£127,000 for whole of last year), after cutting interest charges. Earnings a share 1.86p (1.2p); single dividend 1.25p (total of 2.06p).

## F. W. WOOLWORTH (US)

First-quarter profit fell to \$2.57m from \$3.7m a year ago; sales, \$948m (\$970m). Profit after foreign exchange loss, excluding British operations, of \$2.36m (against a gain of \$1.74m).

## CHANCERY CONSOLIDATED

East and West Ind Trust now holds 1,688,500 Chancery ordinary shares (12.9 per cent of issued capital).

## AYRSHIRE METAL PRODUCTS

Turnover for 1974, £9.49m (£8.01m). Pre-tax profit, £464,000 (£526,000). Dividend, subject to Treasury consent, raised from 3.05p to 4.04p.



home charm

Cline Road, New Southgate, London N11

Turnover increased 36% to £7,684,221

Pretax profits rose 62% to £607,391

Earnings per 10p share: 6.5p (1973 — 4.4p)

41.5% gross dividend is covered 3.7 times

Extracts from the Annual Report for 1974 by the Chairman, Mr. Gerald Fogel, J.P.

During 1974, 7 new units were opened, 3 small units closed, and 4 stores acquired, representing a net 59,000 sq. ft. increase in selling area. The policy of opening larger units under the Texas Homecare banner, with additional ranges, has resulted in the increase in turnover and profits.

Home Charm Pottery Ltd is now trading in Dagenham, Biggleswade and Milton Keynes, with a sales area of 56,000 sq. ft.

The Home Improvement market has considerable scope for expansion. Home Charm Ltd will be able to reap the benefits of the years of growth that lie ahead.

TEXAS Homecare Centres

## British Transport Docks Board progress in adverse conditions

Salient points from the Annual Report and Accounts for 1974

Traffic: UK seaborne traffic as a whole in 1974 was severely affected by the 3-day week, the oil crisis and other factors. Docks Board ports handled 85m tonnes of traffic in 1974. Though this was less than in 1973 the Board's share of traffic has been maintained.

Financial Results, under these difficult conditions, improved marginally: under buoyant economic conditions there would have been a substantially better result.

Cash flow was good; the Board have been fully self-financing since 1973. The profit before interest was £12.1m, the return on capital increasing from 7.6% to 7.8%. The cost of additional replacement depreciation, geared to the retail price index, was £2.9m, an increase of £1m on 1973.

The Chairman, Sir Humphrey Browne, commenting on the results, said that under difficult circumstances the results reflected hard work by Docks Board employees and improved efficiency in running the ports.

## Summary of Results

	1974 £ million	1973 £ million
Gross revenue	64.1	56.2
Operating profit before depreciation	16.7	15.9
Profit before interest	12.1	11.7
Interest on capital	7.0	6.9
Deferred tax	0.8	1.6
Retained Reserve for additional replacement cost depreciation	2.9	1.9
General reserve*	0.7	1.7
	3.6	3.6
Capital employed	154.9	151.0
Return on capital	7.8%	7.6%

\* 1973 — Includes exceptional credits £0.4m  
\* 1974 — after exceptional debits £0.7m

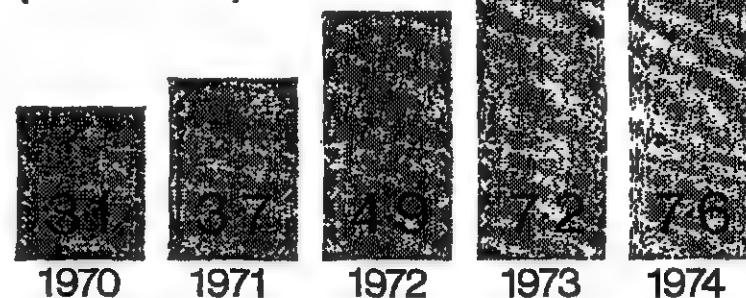
A copy of the Annual Report and Accounts for 1974 may be obtained on application to the Secretary, British Transport Docks Board, Melbury House, Melbury Terrace, London NW1 6JY. Telephone: 01-486 6621 Extn. 6261 Telex: 23913

**British Transport Docks Board**

The British Transport Docks Board operates a nationwide ports service comprising: Hull, Goole, Grimsby, Immingham, King's Lynn, Lowestoft, Southampton, Plymouth, Newport, Cardiff, Barry, Port Talbot, Swansea, Garston, Fleetwood, Barrow, Sillioth, Ayr and Troon.

Growth of unit load traffic through Docks Board ports

(million tonnes)



Share of UK foreign trade by value



Figures are derived from H.M. Customs statistics of foreign trade through United Kingdom seaports, and exclude coastwise traffic.

		1970	1971	1972	1973	1974
Capital investment financed internally	%	24.3	52.7	67.0	100.0	100.0
Return on capital	%	3.5	5.6	6.1	7.6	7.8

## drops \$5.30 in active selling

Gold prices fell sharply today, dropping \$5.30 in active selling. The price of gold fell from \$340.00 to \$334.70. The price of silver fell from \$10.00 to \$9.60. The price of platinum fell from \$1,000.00 to \$994.70. The price of palladium fell from \$1,000.00 to \$994.70. The price of rhodium fell from \$1,000.00 to \$994.70. The price of iridium fell from \$1,000.00 to \$994.70. The price of ruthenium fell from \$1,000.00 to \$994.70. The price of cobalt fell from \$1,000.00 to \$994.70. The price of nickel fell from \$1,000.00 to \$994.70. The price of copper fell from \$1,000.00 to \$994.70. The price of zinc fell from \$1,000.00 to \$994.70. The price of lead fell from \$1,000.00 to \$994.70. The price of tin fell from \$1,000.00 to \$994.70. The price of antimony fell from \$1,000.00 to \$994.70. The price of arsenic fell from \$1,000.00 to \$994.70. The price of bismuth fell from \$1,000.00 to \$994.70. The price of molybdenum fell from \$1,000.00 to \$994.70. The price of tungsten fell from \$1,000.00 to \$994.70. The price of niobium fell from \$1,000.00 to \$994.70. The price of tantalum fell from \$1,000.00 to \$994.70. The price of vanadium fell from \$1,000.00 to \$994.70. The price of chromium fell from \$1,000.00 to \$994.70. The price of manganese fell from \$1,000.00 to \$994.70. The price of iron fell from \$1,000.00 to \$994.70. The price of steel fell from \$1,000.00 to \$994.70. The price of aluminum fell from \$1,000.00 to \$994.70. The price of magnesium fell from \$1,000.00 to \$994.70. The price of titanium fell from \$1,000.00 to \$994.70. The price of zirconium fell from \$1,000.00 to \$994.70. The price of hafnium fell from \$1,000.00 to \$994.70. The price of niobium fell from \$1,000.00 to \$994.70. The price of tantalum fell from \$1,000.00 to \$994.70. The price of vanadium fell from \$1,000.00 to \$994.70. The price of chromium fell from \$1,000.00 to \$994.70. The price of manganese fell from \$1,000.00 to \$994.70. The price of iron fell from \$1,000.00 to \$994.70. The price of steel fell from \$1,000.00 to \$994.70. The price of aluminum fell from \$1,000.00 to \$994.70. The price of magnesium fell from \$1,000.00 to \$994.70. The price of titanium fell from \$1,000.00 to \$994.70. The price of zirconium fell from \$1,000.00 to \$994.70. The price of hafnium fell from \$1,000.00 to \$994.70. The price of niobium fell from \$1,000.00 to \$994.70. The price of tantalum fell from \$1,000.00 to \$994.70. The price of vanadium fell from \$1,000.00 to \$994.70. The price of chromium fell from \$1,000.00 to \$994.70. The price of manganese fell from \$1,000.00 to \$994.70. The price of iron fell from \$1,000.00 to \$994.70. The price of steel fell from \$1,000.00 to \$994.70. The price of aluminum fell from \$1,000.00 to \$994.70. The price of magnesium fell from \$1,000.00 to \$994.70. The price of titanium fell from \$1,000.00 to \$994.70. The price of zirconium fell from \$1,000.00 to \$994.70. The price of hafnium fell from \$1,000.00 to \$994.70. The price of niobium fell from \$1,000.00 to \$994.70. The price of tantalum fell from \$1,000.00 to \$994.70. The price of vanadium fell from \$1,000.00 to \$994.70. The price of chromium fell from \$1,000.00 to \$994.70. The price of manganese fell from \$1,000.00 to \$994.70. The price of iron fell from \$1,000.00 to \$994.70. The price of steel fell from \$1,000.00 to \$994.70. The price of aluminum fell from \$1,000.00 to \$994.70. The price of magnesium fell from \$1,000.00 to \$994.70. The price of titanium fell from \$1,000.00 to \$994.70. The price of zirconium fell from \$1,000.00 to \$994.70. The price of hafnium fell from \$1,000.00 to \$994.70. The price of niobium fell from \$1,000.00 to \$994.70. The price of tantalum fell from \$1,000.00 to \$994.70. The price of vanadium fell from \$1,000.00 to \$994.70. The price of chromium fell from \$1,000.00 to \$994.70. The price of manganese fell from \$1,000.00 to \$994.70. The price of iron fell from \$1,000.00 to \$994.70. The price of steel fell from \$1,000.00 to \$994.70. The price of aluminum fell from \$1,000.00 to \$994.70. The price of magnesium fell from \$1,000.00 to \$994.70. The price of titanium fell from \$1,000.00 to \$994.70. The price of zirconium fell from \$1,000.00 to \$994.70. The price of hafnium fell from \$1,000.00 to \$994.70. The price of niobium fell from \$1,000.00 to \$994.70. The price of tantalum fell from \$1,000.00 to \$994.70. The price of vanadium fell from \$1,000.00 to \$994.70. The price of chromium fell from \$1,000.00 to \$994.70. The price of manganese fell from \$1,000.00 to \$994.70. The price of iron fell from \$1,000.00 to \$994.70. The price of steel fell from \$1,000.00 to \$994.70. The price of aluminum fell from \$1,000.00 to \$994.70. The price of magnesium fell from \$1,000.00 to \$994.70. The price of titanium fell from \$1,000.00 to \$994.70. The price of zirconium fell from \$1,000.00 to \$994.70. The price of hafnium fell from \$1,000.00 to \$994.70. The price of niobium fell from \$1,000.00 to \$994.70. The price of tantalum fell from \$1,000.00 to \$994.70. The price of vanadium fell from \$1,000.00 to \$994.70. The price of chromium fell from \$1,000.00 to \$994.70. The price of manganese fell from \$1,000.00 to \$994.70. The price of iron fell from \$1,000.00 to \$994.70. The price of steel fell from \$1,000.00 to \$994.70. The price of aluminum fell from \$1,000.00 to \$994.70. The price of magnesium fell from \$1,000.00 to \$994.70. The price of titanium fell from \$1,000.00 to \$994.70. The price of zirconium fell from \$1,000.00 to \$994.70. The price of hafnium fell from \$1,000.00 to \$994.70. The price of niobium fell from \$1,000.00 to \$994.70. The price of tantalum fell from \$1,000.00 to \$994.70. The price of vanadium fell from \$1,000.00 to \$994.70. The price of chromium fell from \$1,000.00 to \$994.70. The price of manganese fell from \$1,000.00 to \$994.70. The price of iron fell from \$1,000.00 to \$994.70. The price of steel fell from \$1,000.00 to \$994.70. The price of aluminum fell from \$1,000.00 to \$994.70. The price of magnesium fell from \$1,000.00 to \$994.70. The price of titanium fell from \$1,000.00 to \$994.70. The price of zirconium fell from \$1,000.00 to \$994.70. The price of hafnium fell from \$1,000.00 to \$994.70. The price of niobium fell from \$1,000.00 to \$994.70. The price of tantalum fell from \$1,000.00 to \$994.70. The price of vanadium fell from \$1,000.00 to \$994.70. The price of chromium fell from \$1,000.00 to \$994.70. The price of manganese fell from \$1,000.00 to \$994.70. The price of iron fell from \$1,000.00 to \$994.70. The price of steel fell from



## MARKET REPORTS

Foreign Exchange  
Dollar wins back some ground

The dollar retrieved early losses on foreign exchanges yesterday following a rise in the United States index of economic indicators.

This indicated a sharp improvement in the United States economy and led to hopes that the recession could end sooner rather than later.

Elsewhere, markets were extremely quiet. Little notice was taken of the French Finance Minister's denial that imminent moves were planned to end restrictions on the forward market in francs.

But operators were taking no chances and they stuck to positions taken on the assumption that interest payments on short-term foreign deposits will be banned or curbs on lending to non-residents removed.

Sterling was quiet ahead of the referendum, but showed an easier trend. In terms of the dollar, it dropped back to \$2.3170, down 35 points on the day, this compared with an early \$2.3240. The effective depreciation rate increased to 2.18 per cent from 2.17 per cent.

Gold slipped back to close \$273 down at \$168.25 an ounce.

## Spot Position of Sterling

Rate	Rate	Rate	Rate
New York	2.3170	London	2.3170
Frankfurt	2.3170	Paris	2.3170
Geneva	2.3170	Basle	2.3170
Zurich	2.3170	Brussels	2.3170
Amsterdam	2.3170	Antwerp	2.3170
Madrid	2.3170	Barcelona	2.3170
Lisbon	2.3170	Porto	2.3170
Madrid	2.3170	Barcelona	2.3170
Lisbon	2.3170	Porto	2.3170

Effective depreciation rate since 1st July 1974: 2.18 per cent.

## Forward Levels

Rate	Rate	Rate	Rate
New York	2.3170	London	2.3170
Frankfurt	2.3170	Paris	2.3170
Geneva	2.3170	Basle	2.3170
Zurich	2.3170	Brussels	2.3170
Amsterdam	2.3170	Antwerp	2.3170
Madrid	2.3170	Barcelona	2.3170
Lisbon	2.3170	Porto	2.3170
Madrid	2.3170	Barcelona	2.3170
Lisbon	2.3170	Porto	2.3170

## Gold

Gold slipped back to close \$273 down at \$168.25 an ounce.

## Discount market

Though the day did not prove quite as comfortable as had seemed likely in the early stages, the Bank of England again found no reason to increase the discount rate yesterday. Underlying factors indicated a moderate surplus after early expectations, but discount houses could not find the market difficult to justify. Money had answered readily enough during the morning and was in fact by lunchtime to 7.5 per cent from the opening levels of about 8.4 per cent or 9 per cent. But the flow of funds was not as strong as had been expected, and rates were eventually pushed up to 10 per cent to secure their closing balances.

## Money Market

## Rates

Bank of England Minimum Lending Rate 10%

Cleaving Bank Base Rate 9.5%

Discount Rate 10%

Overnight Open 9.5%

1 month 10%

3 months 10.5%

6 months 11%

12 months 11.5%

18 months 12%

24 months 12.5%

30 months 13%

36 months 13.5%

42 months 14%

48 months 14.5%

54 months 15%

60 months 15.5%

66 months 16%

72 months 16.5%

78 months 17%

84 months 17.5%

90 months 18%

96 months 18.5%

102 months 19%

108 months 19.5%

114 months 20%

120 months 20.5%

126 months 21%

132 months 21.5%

138 months 22%

144 months 22.5%

150 months 23%

## Commodities

## COPPER

Cash wire was sold by 5.50 and three months \$2.50.

Lower and three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

compared with peaks some 10 days or so ago. There is a strong possibility that the market will be further affected by a rise in the United States index of economic indicators.

Lower and three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

compared with peaks some 10 days or so ago. There is a strong possibility that the market will be further affected by a rise in the United States index of economic indicators.

Lower and three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.

Three months \$2.50.



**BELL'S**  
SCOTCH WHISKY  
*Afore ye go*

**Ansafone**  
**ONE YEAR CONTRACT**  
**Ansafone answer your phone**  
19 Upper Brook Street, London W1Y 2HS  
**CALL ANYTIME 01-629 9232**

## THE TIMES SHARE INDICES

The Times Share Indices for 2008-75 (based on June 7, 1954 original base date June 7, 1956):

	Index Latest	Div. Yield	Earnings Yield	Index No. Pence
<b>The Times Indices</b>				
Share Index	143.75	6.08	13.21	144.15
Largest Coys.	142.98	6.28	12.80	143.01
Smaller Coys.	144.98	6.08	13.42	145.29
Central funds	142.98	7.01	14.59	143.20
"A" unit funds	142.13	6.97	12.20	142.67
"B" unit funds	138.23	6.97	7.41	136.86
<b>Largest financial</b>				
Share Index	187.50	5.13	—	139.64
<b>Industrial, financial and industrial shares</b>				
Share Index	220.62	6.19	—	121.62
<b>Commodities Share Index</b>				
Share Index	214.05	3.25	22.91	241.51
<b>Gold Mining</b>				
Share Index	603.40	4.74	7.29	691.68
<b>Industrial</b>				
Share Index	136.78	8.53 <sup>a</sup>	—	74.28
Share Index	129.23	8.53 <sup>a</sup>	—	74.28
Share Index	45.51	16.68 <sup>a</sup>	—	45.58
Share Index	23 <sup>a</sup>	14.67 <sup>a</sup>	—	35 <sup>a</sup>

<sup>a</sup> Record of the Times Industrial Share Indices is given below.—

	High	Low
All-time	156.47 (18.93-72)	60.18 (12.17-74)
1970	145.79 (18.93-72)	81.82 (12.17-74)
1974	228.48 (23.02-74)	69.35 (12.22-74)
1978	299.23 (23.02-74)	81.82 (12.22-74)
1972	164.47 (18.98-72)	17.48 (10.01-72)
1976	178.77 (18.98-72)	20.08 (10.01-72)
1970	145.79 (18.93-70)	81.82 (12.17-70)

<sup>a</sup> Flat interest period.











